



Meeting of Metro-North and Long Island Committees

April 2017

Members

S. Metzger, Chair, MNR Committee

M. Pally, Chair, LIRR Committee

N. Brown

I. Greenberg

C. Moerdler

J. Molloy

A. Saul

V. Tessitore, Jr.

V. Vanterpool

J. Vitiello

C. Wortendyke

N. Zuckerman

Joint Metro-North and Long Island Committees Meeting

**20th Floor Board Room, 2 Broadway
New York, New York**

**Monday, 4/24/2017
8:30 - 10:00 AM ET**

1. Public Comments Period

2. Approval of Minutes - March 20, 2017

b. MNR Minutes

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a. LIRR Minutes

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3. 2017 Work Plans

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b. LIRR 2017 Work Plan

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4. AGENCY PRESIDENTS'/CHIEF'S REPORTS

a. MNR Report (no material)

• MNR Safety Report

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b. LIRR Report (no material)

c. MTA Capital Construction Report

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d. MTA Police Report

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5. ACTION ITEMS

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a. LIRR- Adopt SEQRA Findings for LIRR Expansion Project (Exhibit book contains additional information)

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b. MNR Information Items

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- **Final Review of 2016 Operating Budget Results**

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- **2016 Annual Ridership Report**

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- **Annual Inventory Report**

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- **Track Program Quarterly Update**

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c. LIRR Information Items

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- **Final Review of 2016 Operating Budget Results**

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- **2016 Annual Ridership Report**

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- **Annual Inventory Report**

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- **May Timetable Change & Spring Trackwork Programs**

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7. PROCUREMENTS

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- **MNR Competitive**

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b. LIRR Procurements

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- **LIRR Non-Competitive (No Items)**

- **LIRR Competitive**

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- **LIRR Ratifications (No Items)**

c. MTA CC Procurements (No Items)

8. AGENCY REPORTS ON OPERATIONS, FINANCE, RIDERSHIP AND CAPITAL PROGRAM

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- **Ridership**

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- **Capital Program**

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b. LIRR - Performance Summaries

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- **LIRR Operations - Mechanical**

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- **LIRR Operations - Safety**

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- **Capital Program**

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Next Meeting: Monday, May 22

MNR at 8:30 a.m., LIRR at 9:30 a.m.

Minutes of the Regular Meeting
Metro-North Committee
Monday, March 20, 2017

Meeting held at
2 Broadway – 20th Floor
New York, New York 10004
8:30 a.m.

The following members were present:

Hon. Mitchell H. Pally, Acting Chair of the Metro-North Committee
Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. John J. Molloy
Hon. Veronica Vanterpool
Hon. Carl V. Wortendyke

Not Present:

Hon. Susan G. Metzger, Chair of the Metro-North Committee
Hon. Andrew Saul
Hon. James E. Vitiello
Hon. Neal J. Zuckerman

Also Present:

Joseph J. Giulietti – President, Metro-North Railroad
Catherine Rinaldi – Executive Vice President
Katherine Betries-Kendall – Vice President, Human Resources
Kim Porcelain – Vice President,
Susan J. Doering – Vice President, Customer Service and Stations
Richard L. Gans – Vice President and General Counsel
Glen Hayden – Vice President, Engineering
John Kennard – Vice President – Capital Programs
John Kesich – Senior Vice President, Operations
Owen Monaghan – Chief, MTA Police Department
Andrew Paul – Vice President, Labor Relations
Michael Shiffer – Vice President, Planning
Justin Vonashek – Vice President, System Safety

Mr. Pally, acting as Chair of the Committee, called the meeting to order.

PUBLIC COMMENT

There were three public speakers.

Orrin Getz, Metro-North Railroad Commuter Council, expressed his opinion that Metro-North should have provided hourly service during the recent snow storm and criticized the level of service provided by NJ Transit in the aftermath of the storm and the level of maintenance that NJ Transit provides for Metro-North equipment. He also complained about snow removal at West of Hudson stations.

Murray Bodin described Positive Train (PTC) control as an out-of-date technology, and spoke in favor of implementing a system similar to that which control driverless cars instead of PTC.

Jason Piniero advocated for the adoption of the Freedom Ticket concept by Metro-North in the Bronx and spoke in favor of improved cellular service at Grand Central Terminal.

Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA.

APPROVAL OF MINUTES AND 2017 WORK PLAN

Upon motion duly made and seconded, the Committee approved the minutes of the February 21, 2017 Metro-North Committee meeting. There were no changes to the 2017 Metro-North Railroad Committee Work Plan. The details of the work plan are contained in the 2017 Metro-North Railroad Committee Work Plan filed with the records of this meeting.

PRESIDENT'S REPORT

President Giulietti reported that new fares went into effect in New York State on March 19th and that customers were informed in advance through train seat notices, website information, customer publications, emails, station posters and information on social media.

During the month of February trains operated above goal at 95.1% with year to date at 95.7%. Service reliability was adversely impacted by two February storm events: the winter storm on February 9th and 10th that dropped up to 20 inches of snow followed by 50-70 mile per hour wind gusts on February 13th that caused numerous downed trees across the region. Excluding weather and police-related incidents, train delay minutes in February decreased 23% from February of last year. West of Hudson operated at 94.0% for the month of February.

Fleet Availability remained good during the month with a consist compliance of 98.8%. Service disruptions caused Harlem and New Haven consist compliance to be below average during the peak periods. The Mean Distance Between Failures for the Metro-North fleet in January was just below goal at almost 194,500 miles due to an unusually high number of M7 door system failures.

President Giulietti then reported on Metro-North preparation for and response to the previous week's storm event. On Monday, March 13th, Governor Cuomo declared a state of emergency across all 62 New York State counties ahead of the anticipated winter storm.

Customers were encouraged to stay home as reduced or suspended service was expected. That day, Metro-North started to communicate the likelihood that there would be suspended service on the following day (Tuesday) in expectation of worsening conditions and that deep and blowing snow would interfere with the operations of third rail power, creating the potential to strand trains and customers.

Throughout the storm event, Metro-North continually updated customer service information using email alerts, website updates, social media postings, station and train announcements, platform display boards and message displays at key terminal stations.

Metro-North had approximately 1,500 personnel working specifically on storm preparation and response, and more than 270 pieces of storm-fighting equipment on hand, including 212 snow blowers, 35 pickup truck plows, 3 rail-bound jets, and over 750,000 pounds of salt. The crews and equipment were positioned strategically throughout the territory ready to spring into action as snow conditions warranted. Select waiting rooms at stations were kept open around the clock to provide shelter for customers.

On Tuesday morning, March 14, as the snow started falling, Metro-North made the decision to operate a Sunday schedule with extra trains as required. Branch Line Service in Connecticut and on the Wassaic Branch was suspended as were the ferry services and the Hudson Rail Link. While the New York City area did not see heavy snowfall, Westchester, Putnam and Dutchess counties had over two feet of snow on the ground. High winds and icing presented challenges in Connecticut. As a result, ridership was minimal and Metro-North was forced to suspend train service at noon. To accomplish this, trains departed their originating terminals starting at 9:30 AM. At noontime, an extra train from GCT was operated on all three lines to accommodate those customers still in the Terminal at that time.

The service suspension was necessary to ensure customer and employee safety, and to enable the work on clearing switches and interlockings so that the railroad could resume service once the worst of the blizzard passed. These efforts enabled limited hourly service to resume from approximately 6 PM through 11 PM on all three lines. Again because of heavy snowfall in the northern part of Metro-North territory, the railroad could only operate to and from Croton-Harmon on the Hudson Line and to and from North White Plains on the Harlem Line. On the New Haven Line, which saw less snow, service resumed between GCT and New Haven. Throughout the night, crews made significant progress clearing critical portions of the right of way and in readying passenger equipment, and Metro-North was able to operate a modified weekday service for Wednesday's AM Peak. Some trains were combined and cancelled due to weather related issues. By Thursday, March 16, Metro-North resumed running a regular weekday schedule. Again, there were some delays due to weather related conditions.

Of the 710 scheduled trains that normally operate on a weekday, the railroad performed as follows: on Tuesday, Metro-North operated 132 scheduled trains (19% of all weekday trains) with 2 cancelled and 1 terminated. While operating a Sunday schedule from start of service until noon, the railroad only carried 4% of the normal weekday ridership for that time period. The ridership drop was consistent across all three of the Metro-North lines that serve GCT. 94% of

the trains that were operated arrived within 15 minutes of schedule time and 5 trains were an average of 22 minutes late.

On Wednesday, Metro-North operated 625 scheduled trains (88% of all weekday trains) with 15 cancelled and 1 terminated. The railroad carried 84% of a normal weekday schedule. The greatest drop in peak travel occurred on the Harlem line (down 22%) followed by the Hudson (which was down 16%) & the New Haven line (down by 13%). 89% of the trains that were operated arrived within 15 minutes of schedule and 54 trains were an average of 23 minutes late.

On Thursday, Metro-North operated a full weekday service and ridership returned to normal patterns with a modest 5% ridership drop experienced on the combined 3 lines. 98% of these trains arrived within 15 minutes of schedule and 11 trains were an average of 22 minutes late.

President Giulietti stated that while Tuesday's winter storm may have hit the Metro-North service territory hard, the blizzard was no match for our employees' dedication, expertise and ability to adapt quickly to rapidly changing scenarios. The multiple service plans that Metro-North quickly created and operated during this incident are proof of this. President Giulietti praised the way Metro-North's employees pull together to meet the challenges we are presented with, which is what defines us as a railroad. He stated that he is proud to lead such a dedicated team of transportation professionals.

President Giulietti next reported that Customer complaints during the month of February were down 21 percent from January and were 31 percent lower than February of last year. He also reported that new timetables, which go into effect Sunday, April 2, make small adjustments to improve performance in peak periods while continuing to accommodate essential track outages for crucial infrastructure work, and gave the highlights of those changes.

President Giulietti then discussed Metro-North's Train to the Game Service to Yankee Stadium returning on Opening Day, April 10. Hudson Line fans will enjoy direct service to Yankee Games from Grand Central Terminal, Harlem-125th Street Station and outlying Hudson Line stations to Yankees-E. 153rd Street Station. For Harlem and New Haven Line fans, there will be direct service from select stations for 7:05 PM weeknight games, as well as for weekend and holiday games. At other times, Harlem and New Haven Line customers can transfer to Hudson Line trains or special game-day shuttles at Grand Central Terminal or Harlem-125th Street Station for service to the Yankees-E. 153rd Street Station. President Giulietti also gave information concerning the kickoff of the New York City Football Club season at Yankee Stadium earlier this month and the "Train to the Game" game-day service from Hudson, Harlem and New Haven Line trains to and from every home game.

Finally, President Giulietti reported on Saint Patrick's Day ridership which was about 5% lower than St. Patrick's Day last year, and approximately 14% higher than a regular weekday. In addition to the regular weekday schedule, the service plan included an extra Hudson Line train and tickets were collected prior to boarding at Poughkeepsie, New Hamburg and Beacon Stations

due to high parade ridership. An alcohol ban was in effect all day on trains, platforms and at stations to maintain orderly travel for customers. President Giulietti thanked the MTA Police for their support and coordination on this effort. Overall, the service plan operated smoothly.

The details of the President's Report are contained in the video recording of the meeting produced by the MTA and maintained in the MTA.

SAFETY REPORT

Mr. Vonashek reported that the customer accident rate continues to trend at a 3 year low and has decreased nearly 4% since last month's report. The employee lost time injury rate is up 9% versus the previous year, and since last month's report, that rate has decreased nearly 5%. Grade crossing incidents, derailments and collisions remained unchanged for this month's report. Metro-North received 62 Confidential Close Call Reports in January. Of those, 49 met the reporting criteria. Finally, Metro-North's community outreach program, TRACKS, reached 3400 individuals in the first month of 2017.

The details of Mr. Vonashek's report are contained in the safety report filed with the records of this meeting and the video recording of the meeting produced by the MTA and maintained in the MTA records.

MTA POLICE DEPARTMENT REPORT

Chief Monaghan extended condolences to the family of slain FDNY EMT Yadira Arroyo and to the entire FDNY family. He commended MTA K-9 Police Officer Daniel McDade and his partner who were instrumental in the apprehension of the suspect in the slaying. Chief Monaghan reported on crime statistics, including the fact that year to date major felonies are down by two on the Metro-North system as against the previous year, while the number of major felonies increased in February 2017 versus the previous year, 17 versus 11.

The details of Chief Monaghan's report are contained in the MTA Police Report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

INFORMATION ITEMS:

Three information items were presented to the Committee:

- 2016 Customer Satisfaction Survey Results
- Annual Strategic Investments & Planning Study
- Annual Elevator & Escalator Report

President Giulietti reported that Metro-North is pleased with the results of the 2016 Customer Satisfaction Survey. President Giulietti reported that 87% of Peak period customers, representing our most demanding market, are satisfied with the railroad; an increase of 6 points over 2015 and 22 points higher than 2014. Satisfaction among reverse peak customers also

rebounded dramatically and is up 19 points since 2014. 87% of New Haven Line customers are satisfied, which represents a 28 point increase from 2014. 92% of Hudson Line and Harlem Line customers are satisfied, while 96% of customers are very satisfied with Grand Central, and 90% are very satisfied with their home stations. 95% of customers are satisfied with the courtesy and responsiveness of our employees; conductors are especially well-regarded, with an outstanding 96% of customers satisfied with them. Overall satisfaction with West of Hudson service rose by a point to 83% as a result of a large increase in satisfaction among Pascack Valley Line customers. Port Jervis Line satisfaction declined by 5 points.

Board member Pally read a statement from Committee Chair Metzger, congratulating Metro-North on the customer satisfaction results with respect to East of Hudson service, but expressing concern with recent performance on the West of Hudson service. Committee Chair Metzger noted service quality issues including the cleanliness of bathrooms, which were not being addressed in a timely fashion at the Port Jervis Yard, but are only addressed at Hoboken. President Giulietti indicated that Metro-North is aware of these issues, particularly with respect to problems during the recent snowstorm and the cleaning of platforms. The performance of the present snow removal contractor is under review, as Metro-North forces had to be sent to West of Hudson stations to address the issues. President Giulietti stated further that service issues were being addressed in discussions with NJ Transit and that he would report back to the Board in this issue.

Board member Vanterpool noted that Metro-North employees received some of the highest scores in the survey and indicated that this was consistent with her experience as a rider. She asked if anything was driving the lower scores attributed to customer service telephone representatives. Vice President Doering indicated that such scores were atypical but could be attributable to wait time issues during major disruptions. President Giulietti added his praise for the performance of Metro-North employees and noted that both management and labor responded in force during the snow storm.

Board member Moerdler asked if conductors on board trains are in communication with a central place such as with the train dispatchers. Senior Vice President Kesich stated that all East of Hudson trains communicate with the Operations Control Center (OCC) through railroad radios. Recently, Metro-North made an advance, providing the ability for conductors to receive text messages from the Customer Information Center via the Ticket Issuing Machines (TIMS). In a subsequent phase, the TIMS will receive operational information from the OCC to provide employees with situational awareness. In response to further questions from Board member Moerdler, Senior Vice President Kesich indicated that train crews are permitted to provide customers with information about problems that may lie ahead at stations, but that they may not be in possession of such specific information. Future enhancements of communications capabilities will lead to improvement in this regard, however there will be challenges in being able to convey real-time information. Board member Moerdler asked Metro-North to take a hard look at making further improvements in messaging to customers. President Giulietti noted that there have been past concerns raised by the Federal Railroad Administration which had to be addressed to permit electronic communications to train crews. President Giulietti further noted that in the recent past, customers may have had more information about events outside of the trains than the train crew, but that Metro-North was working on providing complete information,

coordinated with other service providers such as the subways, so that customers could make informed decisions during service disruptions.

The details of the above information items are contained in reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board members' comments regarding the Customer Satisfaction Survey.

PROCUREMENTS:

Two competitive procurements were presented to the Committee:

- Approval to award a competitively solicited 56 month contract to Ansaldo STS USA, Inc. to perform application engineering and to fabricate and deliver pre-wire communications and signal houses and cases to be located in Connecticut from Greenwich to East Norwalk, in the amount of \$24,500,200, funded by the State of Connecticut.
- Approval to award a three year, competitively solicited contract to Langan Engineering, Environmental, Surveying and Landscape Architecture, DPC in the not-to-exceed amount of \$1,807,143 to provide an enhanced Drawing Visual Retrieval System for Metro-North's Capital Plan Room.

Mr. Muir notes that there was Significant Adverse Information uncovered with respect to Ansaldo, and that a three agency waiver memo had been approved by the Interim Executive director. Board member Moerdler expressed concern about the Significant Adverse Information that was disclosed by Metro-North with respect to Ansaldo's corporate parent, and inquired as to whether a monitoring agreement was prudent in this case. President Giulietti indicated that this would be discussed with headquarters.

Thereafter, upon motion duly made and seconded, the foregoing procurement items were approved for recommendation to the Board. The details of the above procurement items are contained in staff summaries and reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records which recording includes discussions between Board members and President Giulietti regarding the procurements.

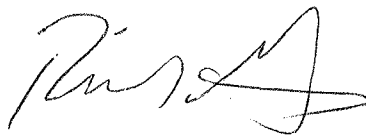
OPERATIONS, FINANCIAL, RIDERSHIP AND CAPITAL PROGRAM REPORTS:

The details of the Operations, Financial, Ridership and Capital Program Reports are contained in reports filed with the records of the meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

ADJOURNMENT

Upon motion duly made and seconded, the Committee unanimously voted to adjourn the meeting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Richard L. Gans', written in a cursive style.

Richard L. Gans
Secretary

Mar 2017 Committee Minutes –FINAL
Legal/Corporate/Committee Minutes Current

**Minutes of the Regular Meeting
Long Island Rail Road Committee
Monday, March 20, 2017**

**Meeting held at
2 Broadway – 20th Floor
New York, New York 10004
9:30 a.m.**

The following members were present:

Hon. Mitchell H. Pally, Chair of the Long Island Rail Road Committee
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Charles G. Moerdler
Hon. John J. Molloy
Hon. Veronica Vanterpool
Hon. Carl V. Wortendyke

The following members were not present:

Hon. Susan G. Metzger
Hon. Vincent Tessitore, Jr.
Hon. James E. Vitiello
Hon. Neal Zuckerman

Representing Long Island Rail Road: Patrick A. Nowakowski, Bruce R. Pohlot, Dave Kubicek, Loretta Ebbighausen, Mark Young, Elisa Picca, Dennis Mahon, and Mark D. Hoffer

Representing MTA Capital Construction Company: Anthony D'Amico, William Goodrich, Evan Eisland, David Cannon, and Peter Kohner

Representing MTA Police: Chief Owen Monaghan

Long Island Committee Chair Mitchell H. Pally called the Meeting of the Long Island Rail Road Committee to order.

PUBLIC COMMENTS

Mark D. Hoffer, LIRR Vice President-General Counsel & Secretary introduced the two public speakers, requesting them to limit their comments to two minutes, and to address matters on the agenda for the meeting.

Orrin Getz commenting on a recent newspaper article concerning the Gateway Project, and stated that President Trump's proposal to eliminate the New Start Programs could profoundly affect not only that project but also other MTA projects, including Phase II of the Second Avenue

Subway. He suggested that LIRR proceed to contact Congress and express the need to keep these Programs alive. Mr. Getz also spoke about the March 17, 2017 work train collision outside of Mineola Station. He requested that LIRR conduct an investigation to find out why there are so many incidents involving work trains and how operation of work trains can be improved.

Jason Piniero spoke about the LIRR Customer Satisfaction Survey. He stated that he agreed with the survey results, but expressed concerns about the cleanliness of train cars including seats and litter. He requested that LIRR install Air Train Ticket Vending Machines at Atlantic Terminal and make Wi-Fi advancements at Penn Station and Atlantic Terminal. Mr. Piniero commended Board Members Charles A. Moerdler and Veronica Vanterpool for their good work.

Chair Pally commented that there is Wi-Fi service in the customer service area at Penn Station.

Board Member Charles Moerdler stated that public speaker Murray Bodin was removed from this morning's Metro-North Railroad Committee Meeting. He was assured by Mr. Bodin that he would act appropriately if he were allowed to attend the Long Island Committee meeting, but MTA Security did not allow Mr. Bodin to attend the meeting. Board Member Moerdler objected to the way this matter was handled.

Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

APPROVAL OF MINUTES AND 2016 WORK PLAN CHANGES

Upon motion duly made and seconded, the Committee approved the minutes of the February 21, 2017 Long Island Rail Road Committee Meeting. There were no reported changes to the 2017 Work Plan.

MTA LONG ISLAND RAIL ROAD PRESIDENT'S REPORT

President Nowakowski stated that he provided each Board Member with a category-of-delay report. LIRR has been collaborating with Metro-North Railroad on definitions of the delay categories and to improve the information in each category.

On March 30, 2017, from 8 a.m. to noon, LIRR will be hosting an information and networking event for companies certified as a Minority and Women-Owned Business Enterprise ("MWBE") and/or as a Service-Disabled Veteran-Owned Business ("SDVOB") to encourage their participation in the LIRR Mainline Expansion Project. The event will be held at Antun's of Queens Village at 96-43 Springfield Blvd., Queens Village, NY. President Nowakowski stated

that the event is to create a networking opportunity so that MWBE and SDVOB businesses can meet and establish relationships with the contracting teams bidding on the Project. LIRR's goal for the project is to hire 30% MWBE and 6% SDVOB businesses.

President Nowakowski reported on the Tuesday, March 14th Nor'easter weather event. Throughout the duration of the storm, LIRR was able to run regular weekday service. President Nowakowski thanked LIRR's crews for their preparation and hard work in dealing with the storm.

President Nowakowski reported that on Monday, March 6th LIRR experienced switch problems at C-Interlocking located at the east end of Penn Station. C-Interlocking is operated and maintained by Amtrak. The switch problems caused significant service delays for LIRR customers during the PM peak rush hour. Due to the service disruption, the New York City Police Department ("NYCPD") had concerns with overcrowding and closed some of the entrances at Penn Station. This incident illustrates the fragility of Penn Station and how problems there can impact service.

President Nowakowski reported that on Friday, March 17th two LIRR track cars collided on the Main Line in the Mineola area, causing delays during the PM rush hour. The track cars were repositioning themselves from one area of the railroad to another. President Nowakowski stated that track equipment does not typically shunt the rail, meaning that the signal system does not react to its movements in the same way as passenger equipment; the signal system includes the grade crossings. The second track car observed that the safety devices at the grade crossing it was approaching did not activate properly and so it slowed down, resulting in the third track car striking it from behind. When the train collided, it dislodged a piece of heavy equipment. This incident caused service delays during the PM rush hour.

On Friday, March 17th at 6:30 p.m., a second incident occurred in the Mineola area. A LIRR engineer fell ill, an emergency medical response team was dispatched and a replacement engineer was requested. This incident also caused significant Main Line service delays.

Chair Pally commented on the March 6th Amtrak C-Interlocking service disruption. He stated that LIRR's relationship with Amtrak has been a concern of his for many years. Chair Pally commented that the relationship has to change and that that on Friday, March 17th he met with the MTA Interim Executive Director, who agreed with Chair Pally's concerns and will pursue initiatives to convey these concerns to Amtrak leadership.

Board Member Moerdler suggested that MTA communicate with Congressman Peter King's Office, to express MTA's concerns about Amtrak.

LIRR SAFETY REPORT

Vice President - Corporate Safety Loretta Ebbighausen reported that LIRR's Safety Performance Report can be found on Page 115 of the Committee Book, reporting through the end of January, 2017.

LIRR's Federal Railroad Administration ("FRA") Reportable Customer Accident Rate continues to decline, a decrease of 25% compared to the same period in 2016. LIRR's Reportable Employee Lost Time Injury Rate continues to decline, a decrease of 11% compared to the same period in 2016.

Regarding LIRR's Close Call Reporting System ("C3RS"), 16 reports were received in January 2017.

Reporting on LIRR's Community Outreach Program, undertaken in collaboration with the MTA Police Department ("MTAPD"), Vice President Ebbighausen reported that LIRR's Operation Lifesaver and T.R.A.C.K.S. classroom presentations reached over 7,300 participants through the end of January 2017.

MTA CAPITAL CONSTRUCTION

MTA Capital Construction (MTACC) Executive Vice President Anthony D'Amico reported progress on the East Side Access (ESA) Project.

In Queens, under the Harold Structures Part 3 (CH057) contract, Signal Bridge 23 was set in place during the weekend early morning hours of Saturday and Sunday February 25 and 26. Signal Bridge 23 is located in Harold Interlocking between 43rd and 48th Streets. Three westbound Long Island Rail Road lines and one westbound Amtrak main line travel under this signal bridge. Overall, the installation took 3 weeks – the first 2 weeks to excavate and install the 2 foundations and then on the third week, the three-piece tubular steel bridge was installed. During the morning hours of Saturday, February 25th within a 90 minute headway, the north tower was installed. Likewise, during the early morning of Sunday February 26th, the south tower and the horizontal bridge were installed within another 90 minute headway. The actual signal heads will be installed on the bridge during next year's signal cutover. This type of construction under train traffic is very delicate in nature and was accomplished with the utmost attention to both safety and efficiency.

As to work in Manhattan, Mr. D'Amico discussed the re-sequencing of the escalator installation at the LIRR Concourse as part of the Grand Central Concourse and Facilities Fit-Out

(CM014B) contract. Before escalators can be installed at these locations, the Contractor must fit-out the 4 Wellways in the Concourse with conduits for electrical power, lighting and communication, then cover them with finished ceiling structures and panels. Unforeseen delays to the curved ceiling fabrication have placed stress upon the schedule of this phase of the contract. To mitigate these delays to the escalator installation, the Contractor plans to re-sequence the work. The new altered schedule will install the escalators first in Wellways 1 and 2 and then, after protecting those escalators will install the ceiling panels. That work will finish in June of 2018. In the meantime, finish work in Wellways 3 and 4 will commence in the normal sequence of construction and that work will finish in October 2018. This re-sequencing of activities will mitigate the effects from the delay to the curved ceiling fabrication by keeping the overall contract delay to 4 months. This contract is not on the critical path of the ESA project Revenue Service Date of December 2022 and therefore will have no effect on the overall project schedule.

Mr. D'Amico also reported that MTACC plans to award the Mid-Day Storage Yard (CQ033) contract next month.

Board Member Ira Greenberg commented that he would like for Dr. Horodniceanu to report on his recent meeting with Amtrak's President at the next committee meeting.

MTA POLICE DEPARTMENT

MTAPD Chief Owen Monaghan reported on a hate crime pattern which involved eight incidents of bias graffiti written on the bathroom stalls at Penn Station over a period of several weeks. The graffiti was anti-Semitic in nature and was discovered on several different days of the week. An investigative patrol plan was developed and implemented, resulting in an arrest. Chief Monaghan commended MTAPD Detectives Jaimie Atkinson, Robert Raul and Adam Judsy for making the apprehension and commended the many patrol officers from District 4 who were assigned to surveillance operations. The suspect was charged with eight felony counts of criminal mischief and four felony counts of a hate crime.

Chief Monaghan reported that year-to-date, LIRR experienced an increase of six major felonies; 22 compared to 16 in 2016. During the month of February there were 12 major felonies compared to seven in 2016; six grand larcenies compared to three in 2016. System-wide there were 46 major felonies compared to 45 in 2016. There was a decline in grand larcenies, 26 compared to 33 in 2016. In the month of February, there was an increase of 10 major felonies, 30 compared to 20 in 2016.

Board Member Veronica Vanterpool thanked Chief Monaghan for reporting on the hate crimes.

Board Member Moerdler asked if there is information about what has happened with the hate crime arrest at the District Attorney level or at the court level.

Chief Monaghan responded the case has not concluded and is in the early stages of the prosecution. The suspect was charged with felony counts and with additional misdemeanors. The MTAPD is tracking the upcoming court case.

Board Member Moerdler asked Chief Monaghan to keep the Board apprised of the court proceedings.

Chief Monaghan responded that he would report back to the Board with updates.

Chair Pally asked if the increase in grand larcenies experienced by both LIRR and Metro-North in February was a coincidence or an indication of a trend.

Chief Monaghan responded there is a copper theft pattern throughout the system. MTAPD is working on a pattern in Long Island. There have been occurrences of cable theft at New Haven and Bethpage. The other grand larcenies include unattended property, such as credit cards in wallets left in overhead baggage racks.

The details of Chief Monaghan's report are contained in the MTAPD report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

LONG ISLAND RAIL ROAD INFORMATION ITEMS

- Annual Strategic Investments & Planning Study
- Annual Elevator/Escalator Report
- Spring Track Work
- 2016 Customer Satisfaction Survey

President Nowakowski reported on each information item. He stated that the 2016 Customer Satisfaction Survey shows an increase in overall customer satisfaction, likely due to improved On-Time Performance in 2016.

Board Member Greenberg noted, in connection with Strategic Investments, that there were delays in the progress of Amtrak's Gateway Tunnel Casement Project. He asked whether this had delayed the reconstruction of LIRR's Maintenance of Equipment ("M of E") shop, or whether that was proceeding as planned.

President Nowakowski responded that LIRR is over one year late in receiving its M of E shop back. He met with Related three weeks ago to state our concern and another meeting is scheduled for this week.

Board Member Greenberg asked whether LIRR was still receiving compensation on account of the delay.

President Nowakowski responded in the affirmative, adding that this is about getting our shop back because of its importance for our service.

Board Member Greenberg asked whether LIRR had any idea of when work on the M of E shop would be done. President Nowakowski responded that LIRR had received dates, but he was not confident that the dates would be achieved. He added that if the delay results in our needing to do more running repairs at the Hillside Support Facility, then it would begin affecting service.

Board Member Greenberg asked if something fails in the West Side Yard and we can't fix it there, does that result in short trains or cancellations. President Nowakowski replied that there has been no serious impact on service to date.

Chair Pally commented that the relationship with Related is starting to sound like our relationship with Amtrak. President Nowakowski responded that it is a complicated situation: Gateway Tunnel is an Amtrak project, but Amtrak contracted with Related to reconstruct the M of E shop and Related in turn contracted with Tutor-Perini, its general contractor on the West Side Yard project, to do the actual work.

Board Member Moerdler asked whether LIRR has the equipment and the technology to inform customers of delays ahead of them, up the line. President Nowakowski responded, referring to a discussion at the earlier Metro-North Committee Meeting, that LIRR does not have a central Operations Control Center like Metro-North. He stated that he very much wanted a central Operations Control Center, but that LIRR at present continues to rely on eleven manned towers. He added that that LIRR sends text messages to employees about delays, just as Metro-North does. Board Member Moerdler asked what it would take to provide LIRR with a central Operations Control Center. President Nowakowski responded that LIRR would need to relocate the control of the railroad signal system from the 11 towers into one facility, which would present technology, communication and infrastructure issues. LIRR has recently built a theater where a central Operations Control Center would be, but LIRR does not have money in the Capital Program to move control from the towers to that Center. LIRR hopes to include this in the next Capital Program.

Board Member Moerdler asked, over and above the desirability of having real time communication for purposes of warning passengers of what is ahead on the line, does the absence of such a control center otherwise impact adversely service on the LIRR?

President Nowakowski responded that the biggest issue created by not having a central Operations Control Center is not having the ability to see the whole system at once. That ability is critical to understand where trains are and to make good decisions on changes that need to be made to address problems. LIRR does not have that ability right now. So the accuracy of information becomes more problematic because you don't know where all the trains on the system are at any given point in time.

Chair Pally commented that a central Operations Control Center is critical for LIRR and that he has told the MTA Interim Executive Director that it should be included in the next Capital Program. The LIRR has gone as far as it can go with its current resources and it is time that this be done.

Board Member Moerdler commented that his purpose was to bring this topic to the forefront so that the Board and the general public would know that this is important.

Chair Pally commented it has a negative impact on a lot of things and we should just make it happen as quickly as possible.

Chair Pally asked, whether, as a result of the track work scheduled for April 15, the Main Line Second Track Continuous Welded Rail Drop, service between Ronkonkoma and Brentwood would be impacted. President Nowakowski responded that Ronkonkoma and Brentwood will be impacted and that buses will be provided.

MTA LONG ISLAND RAIL ROAD

Procurement

Competitive:

- Competitive Requests for Proposals – LIRR requests Board approval to award a Public Works contract to Ansaldo STS USA, Inc. in the amount of \$325,851 to Design, Furnish, and Deliver Switch Machine Kits and Equipment for LIRR's West-Side Yard.

Board Member Moerdler stated that he made the point at the Metro-North Committee Meeting that either Metro-North or LIRR ought to have an internal monitoring of this

procurement. In 2016, Hitachi, the parent of Ansaldo, twice pled guilty to anti-trust violations of a serious nature and it has a long and bad record of violations of the anti-trust laws. While it may be true at present that Ansaldo and its parent do not have a common Board, it is not very hard for a parent to influence its wholly-owned subsidiary to engage in the same practices. Board Member Moerdler recommended to LIRR that it provide or secure some form of monitoring system so the virus does not spread from Hitachi to Ansaldo.

Chair Pally responded that this point was made by Board Member Moerdler at today's Metro-North Committee Meeting on a separate Metro-North contract. Chair Pally stated that he felt Board Member Moerdler's points were valid for both railroads. He asked that both railroads report back to their respective Committees on the progress of their contracts with Ansaldo so that we know what is going on and can take whatever actions are necessary if something happens.

President Nowakowski responded LIRR can certainly do that and will work with the other Agencies to coordinate a response.

Chair Pally commented that these are very important issues. We understand from reading the report why Ansaldo was chosen but this does not entitle them to a free ride.

Board Member Moerdler stated for the record that Governor has signaled his interest in this by creating a special group within the Dormitory Authority to monitor certain procurements, and that the railroads should be monitoring their procurements with Ansaldo.

Upon motion duly made and seconded, the foregoing procurement item was approved for recommendation to the Board.

MTA CAPITAL CONSTRUCTION

Procurement

MTA Capital Construction Chief Procurement Officer David Cannon presented three procurement items to the Committee for approval. Details of the items are set forth below and in the Staff Summary, a copy of which is on file with the record of this meeting.

The competitive procurement item is as follows:

- A modification to the GCT Concourse and Facilities Fit-Out (CM014B) contract to increase the amount of Payment Item No. 11A, Allowance for Utilities Not Identified in the Contract Documents, in the amount of \$3,000,000.

Commissioner Charles Moerdler addressed the board stating that CM014B is a joint venture between Piccone and Schiavone, who are both owned by Dragados. Commissioner Moerdler raised concerns that members of the same company are submitting competing bids. MTA Capital Construction Senior Vice President, General Counsel and Secretary Evan Eisland clarified that in this instance Piccone and Schiavone submitted a joint proposal rather than a competing proposal.

The procurement ratifications, which in the aggregate are for \$1,912,500, are as follows:

- Ratification of a modification to the Harold Structures Part 3 (CH057) contract for the demolition of Signal Bridge 23 and the installation of a new foundation and new Signal Bridge 23 in the amount of \$960,000.
- Ratification of a modification to the Harold Structures Part 3 (CH057) contract for the construction of 710 feet of concrete ductbank, installation of a 625 foot action block retaining wall, and the installation of 10 electrical pull boxes, in the amount of \$952,500.

Upon motion duly made and seconded, the procurement item was approved for recommendation to the Board

LIRR Reports on Operations, Safety, Finance, Ridership, and Capital Program

The details of these items are contained in the reports filed with the records of the meeting.


Board Member Greenberg stated that the number of trains scheduled is significantly different from February 2017 compared to February 2016. He asked whether cancelled trains do not count, meaning for example that when there is a snow storm, LIRR runs less service.

Senior Vice President – Operations David Kubicek responded in the affirmative.

Adjournment

Upon motion duly made and seconded, the Committee voted to adjourn the meeting.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Mark D. Hoffer", is written over a horizontal line.

Mark D. Hoffer
Secretary

2017 Metro-North Railroad Committee Work Plan

I. RECURRING AGENDA ITEMS

Responsibility

Approval of Minutes	Committee Chairs & Members
2017 Committee Work Plan	Committee Chairs & Members
President's Report	President/Senior Staff
Safety Report	
MTA Police Report	
Information Items (if any)	
Action Items (if any)	
Procurements	
Agency Reports	Senior Staff
Operations	
Finance	
Ridership	
Capital Program	

II. SPECIFIC AGENDA ITEMS

Responsibility

.....	
<u>April 2017 (Joint meeting with LIRR)</u>	
Final Review of 2016 Operating Budget Results	Finance
2016 Annual Ridership Report	Operations Planning & Analysis
Annual Inventory Report	Procurement
Track Program Quarterly Update	Engineering
MTA Homeless Outreach	MTA
<u>May 2017</u>	
Diversity/EEO Report – 1 st Quarter 2017	Diversity and EEO
<u>June 2017 (Joint meeting with LIRR)</u>	
Status Update on PTC	President
Bi-Annual Report on M-9 Procurement	President
<u>July 2017</u>	
Grand Central Terminal Retail Development	MTA Real Estate
Environmental Audit	Environmental Compliance
Track Program Quarterly Update	Engineering
<u>September 2017</u>	
2018 Preliminary Budget (Public Comment)	Finance
2017 Mid-Year Forecast	Finance
Diversity/EEO Report – 2 nd Quarter 2017	Diversity and EEO
2017 Fall Schedule Change	Operations Planning & Analysis

October 2017 (Joint meeting with LIRR)
2018 Preliminary Budget (Public Comment)
Status Update on PTC
Track Program Quarterly Update
MTA Homeless Outreach
Bi-Annual Report on M-9 Procurement

Finance
President
Engineering
MTA
President

November 2017

Review of Committee Charter
Holiday Schedule

Committee Chairs & Members
Operations Planning & Analysis

December 2017 (Joint meeting with LIRR)

2018 Final Proposed Budget
2018 Proposed Committee Work Plan
Diversity/EEO Report – 3rd Quarter 2017

Finance
Committee Chairs & Members
Diversity and EEO

January 2018

Approval of 2018 Committee Work Plan
Track Program Quarterly Update

Committee Chairs & Members
Engineering

February 2018 (Joint meeting with LIRR)

Adopted Budget/Financial Plan 2018
2017 Annual Operating Results
2017 Annual Fleet Maintenance Report
Status Update on PTC
Diversity/EEO Report – 4th Quarter 2017

Finance
Operations
Operations
President
Diversity and EEO

March 2018

Annual Strategic Investments & Planning Studies
2018 Spring/Summer Schedule Change
Annual Elevator & Escalator Report

Capital Planning
Operations Planning & Analysis
Engineering

METRO-NORTH RAIL ROAD COMMITTEE WORK PLAN

DETAILED SUMMARY

I. RECURRING AGENDA ITEMS

Approval of Minutes

The Committee Chair will request a motion to approve the minutes of the prior month's meeting.

2017 Work Plan

The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

President's Report

A monthly report will be provided highlighting major accomplishments and progress on key initiatives and performance indicators.

Safety

A monthly report will be provided highlighting key safety performance statistics and indicators.

Police Activity Report

MTA Police will highlight the significant police activities incurred during the month reported.

Information Items (if any)

Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)

Staff summary documents presented to the Board for approval of items affecting business standards and practices.

Procurements

List of procurement action items requiring Board approval. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. The list will include items that need a 2/3 vote of the Board for approval.

Operations

A monthly report will be provided highlighting key operating and performance statistics and indicators.

Finance

A monthly report will be provided that compares the Railroad's actual financial performance against its budget and/or forecast both on an accrual and cash basis.

Ridership

A monthly report will be provided that includes a comparison of actual monthly ticket sales, ridership and revenues with the budget and prior year results.

Capital Program

A monthly report will be provided highlighting significant capital program accomplishments in the month reported.

II. SPECIFIC AGENDA ITEMS

APRIL 2017 (Joint Meeting with LIRR)

Final Review of 2016 Operating Results

A review of the prior year's budget results and their implications for current and future budget performance will be presented to the Committee.

2016 Annual Ridership Report

A report will be presented to the Committee on Metro-North's ridership trends during 2016 based on monthly ticket sales data and the results of train ridership counts conducted by Metro-North.

Annual Inventory Report

The Agency will present its annual report on Inventory.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

MTA Homeless Outreach

MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

MAY 2017

Diversity & EEO Report– 1st Quarter 2017

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

JUNE 2017 (Joint Meeting with LIRR)

Status Update on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

JULY 2017

Grand Central Terminal Retail Development

MTA Real Estate will provide an annual report on leasing and construction opportunities and financial and marketing information related to retail development in Grand Central Terminal.

Environmental Audit Report

The Committee will be briefed on the results of the 2017 environmental audit report which is submitted to NYS Department of Environmental Conservation as required by the Environmental Audit Act, as well as the actions implemented to enhance overall compliance, monitoring and reporting.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

SEPTEMBER 2017

2018 Preliminary Budget

Public comment will be accepted on the 2018 Budget.

2017 Final Mid-Year Forecast

The agency will provide the 2017 Mid-Year Forecast financial information for revenue and expense by month.

Diversity & EEO Report– 2nd Quarter 2017

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

2017 Fall Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines for the Fall of 2017.

OCTOBER 2017 (Joint Meeting with LIRR)

2018 Preliminary Budget

Public comment will be accepted on the 2018 Budget.

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

MTA Homeless Outreach

MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

NOVEMBER 2017

Review of Committee Charter

Annual review and approval of the MNR Committee Charter.

Holiday Schedule

The Committee will be informed of Metro-North's service plans for the Thanksgiving and Christmas/New Year's holiday periods.

DECEMBER 2016 (Joint Meeting with LIRR)

2018 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2018.

2018 Proposed Committee Work Plan

The Committee Chair will present a draft Metro-North Committee Work Plan for 2018 that will address initiatives to be reported throughout the year.

Diversity & EEO Report– 3rd Quarter 2017

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

JANUARY 2018

Approval of 2018 Committee Work Plan

The Committee will approve the Proposed Metro-North Railroad Committee Work Plan for 2017 that will address initiatives to be reported on throughout the year.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

FEBRUARY 2018 (Joint Meeting with LIRR)

Adopted Budget/Financial Plan 2018

The Agency will present its revised 2018 Financial Plan. These plans will reflect the 2018 Adopted Budget and an updated Financial Plan for 2018 reflecting the out-year impact of any changes incorporated into the 2018 Adopted Budget.

2017 Annual Operating Results

A review of the prior year's performance of railroad service will be provided to the Committee.

2017 Annual Fleet Maintenance Report

An annual report will be provided to the Committee on the Agency's fleet maintenance plan to address fleet reliability and availability.

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

Diversity & EEO Report– 4th Quarter 2017

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as

composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

MARCH 2018

Annual Strategic Investments & Planning Studies

A comprehensive annual report will be provided to the Committee of the Agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies.

2018 Spring/Summer Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines during the spring and summer of 2018.

Annual Elevator/Escalator Report

Annual report to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

2017 Long Island Rail Road Committee Work Plan

I. **RECURRING AGENDA ITEMS**

Approval of Minutes	<u>Responsibility</u> Committee Chair & Members
2017 Committee Work Plan	Committee Chair & Members
Agency President's/Chief's Reports	President/Senior Staff
Information Items (if any)	
Action Items (if any)	
Procurements	Procurement & Logistics
Performance Summaries	President/Senior Staff
Status of Operations	Sr. VP - Operations
Safety	Chief Safety Officer
Financial/Ridership Report	VP & CFO
Capital Program Report	SVP - Engineering

II. **SPECIFIC AGENDA ITEMS**

	<u>Responsibility</u>
<u>April 2017</u> (Joint Meeting with MNR)	
Final Review of 2016 Operating Results	Management & Budget
Annual Inventory Report	Procurement
2016 Annual Ridership/Marketing Plan Report	Finance/Marketing
2017 Summer Schedule Change	Service Planning
MTA Homeless Outreach	MTA
<u>May 2017</u>	
Diversity/EEO Report – 1 st Q 2017	Administration/Diversity
<u>June 2017</u> (Joint Meeting with MNR)	
Status Update on PTC	President/Sr. Staff
Bi-Annual Report on M-9 Procurement	President/Sr. Staff
Summer Track Work	Service Planning
<u>July 2017</u>	
Penn Station Retail Development	MTA Real Estate
Environmental Audit	Corporate Safety
2017 Fall Construction Schedule Change	Service Planning
<u>September 2017</u>	
2018 Preliminary Budget (Public Comment)	Management & Budget
2017 Mid Year Forecast	Administration/Diversity
Diversity/EEO Report – 2 nd Q 2017	Service Planning
Fall Track Work	
<u>October 2017</u> (Joint Meeting with MNR)	
2018 Preliminary Budget (Public Comment)	
Status Update on PTC	President/Sr. Staff
November Schedule Change	Service Planning
MTA Homeless Outreach	MTA
Bi-Annual Report on M-9 Procurement	President/Sr. Staff

November 2017

Review of Committee Charter
East Side Access Support Projects Update
2017 Holiday Schedule

Committee Chair & Members
President/Sr. Staff
Service Planning

December 2017 (Joint Meeting with MNR)

Diversity/EEO Report – 3rd Q 2016
2018 Final Proposed Budget
2018 Proposed Committee Work Plan

Administration/Diversity
Management & Budget
Committee Chair & Members

January 2018

Approval of 2018 Committee Work Plan

Committee Chair & Members

February 2018 (Joint Meeting with MNR)

Adopted Budget/Financial Plan 2018
2017 Annual Operating Results
2017 Annual RCM Fleet Maintenance Report
Status Update on PTC
Diversity/EEO Report – 4th Q 2017
2018 Spring Schedule Change

Management & Budget
Operations
Operations
President/Sr. Staff
Administration/Diversity
Service Planning

March 2018

Annual Strategic Investments & Planning Study
Annual Elevator/Escalator Report
Spring Track Work
Customer Satisfaction Survey Report

Strategic Investments
Engineering
Service Planning
Public Affairs

LONG ISLAND RAIL ROAD COMMITTEE WORK PLAN

DETAILED SUMMARY

I. RECURRING AGENDA ITEMS

Approval of Minutes

The Committee Chair will request a motion to approve the minutes of the prior month's meeting.

2017 Work Plan

The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

Information Items (if any)

Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)

Staff summary documents presented to the Board for approval of items affecting business standards and practices.

Procurements

List of procurement action items requiring Board approval and items for Committee and Board information. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. The list will include items that need a 2/3 vote of the Board for approval.

Police Activity Report

MTA Police will highlight the significant police activities incurred during the month reported.

Police Activity Report

MTA Police will highlight the significant police activities incurred during the month reported.

PERFORMANCE SUMMARIES

Report on Transportation

A monthly report will be given highlighting key operating performance statistics and indicators.

Report on Mechanical

A monthly report will be given highlighting key fleet performance statistics and indicators.

Report on Safety

A monthly report will be given highlighting key safety performance statistics and indicators.

Financial Report

A monthly report will be provided that compares the Railroad's actual financial performance against its budget and/or forecast.

Ridership Report

A monthly report will be provided that compares actual monthly ticket sales, ridership and revenues against prior year results.

Capital Program Progress Report

A report will be provided highlighting significant capital program accomplishment in the month reported.

II. SPECIFIC AGENDA ITEMS

APRIL 2017 (Joint Meeting with MNR)

Final Review of 2016 Operating Results

A review of the prior year's budget results and their implications for current and future budget performance will be presented to the Committee.

Annual Inventory Report

The Agency will present its annual report on Inventory.

2016 Annual Ridership/Marketing Plan Report

A report will be presented to the Committee on Agency ridership trends during 2016 based on monthly ticket sales data and the results of train ridership counts conducted by the Agency.

2017 Summer Schedule Change

The Committee will be advised of Agency plans to adjust schedules to support construction projects during the summer of 2017.

MTA Homeless Outreach

MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

MAY 2017

Diversity & EEO Report– 1st Quarter 2017

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

JUNE 2017 (Joint Meeting with MNR)

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008 and as amended by the "Positive Train Control Enforcement and Implementation Act of 2015." Highlights to include cost of PTC along with operation and implementation risks.

Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

JULY 2017

Penn Station Retail Development

MTA Real Estate will provide an annual report on leasing and construction opportunities and financial and marketing information related to retail development in Penn Station.

Environmental Audit Report

The Committee will be briefed on the results of the 2016 environmental audit report which is submitted to NYS Department of Environmental Conservation as required by the Environmental Audit Act, as well as the actions implemented to enhance overall compliance, monitoring and reporting.

2017 Fall Construction Schedule Change

The Committee will be advised of Agency plans to adjust schedules to support construction projects during the fall of 2017.

SEPTEMBER 2017

2018 Preliminary Budget

Public comment will be accepted on the 2017 Budget.

2017 Mid-Year Forecast

The agency will provide the 2016 Mid-Year Forecast financial information for revenue and expense by month.

Diversity & EEO Report– 2nd Quarter 2017

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

OCTOBER 2017 (Joint Meeting with MNR)

2017 Preliminary Budget

Public comment will be accepted on the 2017 Budget.

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008 and as amended by the "Positive Train Control Enforcement and Implementation Act of 2015." Highlights to include cost of PTC along with operation and implementation risks.

MTA Homeless Outreach

MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

NOVEMBER 2017

Review Committee Charter

Annual review of Long Island Committee Charter for Committee revision/approval.

East Side Access Support Projects Update

The Committee will be briefed on the status of the East Side Access Support Projects.

Holiday Schedule

The Committee will be informed of Agency's service plans for the Thanksgiving and Christmas/New Year's holiday periods.

DECEMBER 2017 (Joint Meeting with MNR)

Diversity & EEO Report– 3rd Quarter 2017

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

2018 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2018.

Proposed 2018 Committee Work Plan

The Committee Chair will present a draft Long Island Rail Road Committee Work Plan for 2018 that will address initiatives to be reported throughout the year.

Bi-Annual Report on M-9 Procurement

The Committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

JANUARY 2018

The Committee will approve the Proposed Long Island Rail Road Committee Work Plan for 2018 that will address initiatives to be reported on throughout the year.

FEBRUARY 2018 (Joint Meeting with MNR)

Adopted Budget/Financial Plan 2018

The Agency will present its revised 2018 Financial Plan. These plans will reflect the 2018 Adopted Budget and an updated Financial Plan for 2018 reflecting the out-year impact of any changes incorporated into the 2018 Adopted Budget.

2018 Annual Operating Results

A review of the prior year's performance of railroad service will be provided to the Committee.

2018 Annual Fleet Maintenance Report

An annual report will be provided to the Committee on the Agency's fleet maintenance plan to address fleet reliability and availability.

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008 and as amended by the "Positive Train Control Enforcement and Implementation Act of 2015". Highlights to include cost of PTC along with operation and implementation risks.

Diversity & EEO Report– 4th Quarter 2017

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

2018 Spring/Summer Construction Schedule Changes

The Committee will be advised of plans to adjust schedules to support construction projects during the spring and summer of 2018 .

MARCH 2018

Annual Strategic Investments & Planning Study

A comprehensive annual report will be provided to the Committee of the Agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies.

Annual Elevator/Escalator Report

Annual report to the Committee on system-wide availability for elevators and escalators throughout the system.



Metro-North Railroad

Safety Report

February 2017 Safety Report

Performance			
Performance Indicator	12-Month Average		
	March 2014 -February 2015	March 2015 -February 2016	March 2016 - February 2017
FRA Reportable Customer Accident Rate per Million Customers	1.80	1.24	1.13
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	2.28	2.56	2.76
Grade Crossing Incidents ¹	1	2	1
Mainline FRA Reportable Train Derailments	0	2	1
Mainline FRA Reportable Train Collisions	0	0	0

¹ Per FRA - Any impact between railroad on-track equipment and a highway user at a highway-rail grade crossing. The term "highway user" includes automobiles, buses, trucks, motorcycles, bicycles, farm vehicles, pedestrians, and all other modes of surface transportation motorized and un-motorized.

Leading Indicators				
Safety Training	2016		2017	
	February	Year End	February	Year to Date
First Responders Trained	-	1,314	146	304
Employee Safety Training Courses	-	307	98	188
Employees Trained	-	6,161	1,208	2,000
Employee Safety Training Hours	-	268,469	25,892	35,447
Customer and Community: Focus on Grade Crossings	2016		2017	
	February	Year to Date	February	Year to Date
Broken Gates	2	12	3	6
MTA Police Details	128	238	133	297
Summons	38	55	43	139
Warnings	14	30	7	11
Community Education and Outreach	NA	NA	11,890	15,290
Cars Equipped with Cameras	Fleet Size	Total Cars Equipped	% Complete	
Inward / Outward Facing Cab Cameras	957	8	0.84%	
Passenger Compartment Cameras	1,088	8	0.74%	

Definitions:

First Responders Trained - The number of first responders trained by MNR's Emergency Management to assist in crisis events, such as train evacuation.

Employee Safety Training Courses - The number of distinct safety-related courses offered, including technical courses that have a safety element. Repeats are excluded so that each course is counted only once.

Employees Trained - The number of unique employees that attended one or more of these safety-related courses.

Employee Safety Training Hours - The total hours of training completed by employees in all safety-related courses attended.

MTA Police Detail - The number of details specifically for the purpose of monitoring behavior at Grade Crossings.

Summons for Grade Crossing Violation and other Infractions- The number of violations issued to a motorist for going around a crossing gate or due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

Warnings - The number of warnings issued to motorists due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

Community Education and Outreach - The number of individuals reached at a TRACKS event. Program began in May 2016.

Cars Equipped with Cameras - Number of complete inward/outward and passenger compartment camera installations on rolling stock. Installation began in August 2016.

MTA CAPITAL CONSTRUCTION

PROJECT UPDATE

EAST SIDE ACCESS

East Side Access Active and Future Construction Contracts

Report to the Railroad Committee - April 2017

Expenditures thru March 2017; \$\$ in million

	Budget	Committed	Expenditures
Construction	\$ 8,028.8	\$ 7,163.1	\$ 5,345.9
Design	\$ 732.7	\$ 732.7	\$ 692.8
Project Management	\$ 1,036.2	\$ 880.5	\$ 758.5
Real Estate	\$ 178.0	\$ 119.9	\$ 117.2
Rolling Stock†	\$ 202.0	\$ -	\$ -
Total	\$ 10,177.8	\$ 8,896.3	\$ 6,914.5

† An additional \$463 million budgeted for ESA rolling stock is included in a reserve and \$50 million is included in the Regional Investment budget.

	Schedule
Project Design Start	March-1999
Project Design Completion	June-2017
Project Construction Start	September-2001
Revenue Service Date	December-2022

	Budget (Bid + Contingency)	Current Contract (Bid + Approved AWOs)	Remaining Budget	Expenditures	2014 Replan Award Date	Actual/ Forecast Award Date	Planned Completion at Award	Forecast Completion
Project Description								
Manhattan Construction								
CM014A: GCT Concourse Finishes Early Work <i>Yonkers Contracting</i>	\$61.1	\$58.8	\$2.3	\$56.4	Nov-2011	Nov-2011	Apr-2013	May-2017
CM006: Manhattan Northern Structures <i>Frontier Kemper Constructors, Inc.</i>	\$361.6	\$350.1	\$11.5	\$311.2	Mar-2014	Mar-2014	Nov-2016	Jun-2017
CM014B: GCT Concourse & Cavern Fit-Out <i>GCT Constructors JV</i>	\$463.6	\$437.4	\$26.2*	\$129.1	Dec-2014	Feb-2015	Aug-2018	Jun-2019
CM007: Manhattan Cavern Structure & Facilities Fit-Out <i>Tutor Perini Corporation</i>	\$712.3	\$663.2	\$49.2	\$55.6	Jul-2015	Apr-2016	Jan-2020	Jan-2020
Queens Construction								
CQ032: Plaza Substation & Queens Struct Construction <i>Tutor Perini Corporation</i>	\$263.9	\$262.0	\$1.9	\$240.7	Aug-2011	Aug-2011	Aug-2014	Jun-2017
Harold Construction								
CH057A: Harold Structures - Part 3: West Bound Bypass <i>Harold Structures JV</i>	\$142.8	\$117.8	\$25.0	\$58.3	Nov-2013	Nov-2013	Feb-2016	Aug-2018
CH057: Harold Structures - Part 3: Track D Approach, 48th St Bridge <i>Tutor Perini Corporation</i>	\$89.9	\$66.4	\$23.5	\$45.8	Nov-2014	Dec-2015	Aug-2017	Jul-2017
CH061A: Harold Tunnel A Cut and Cover Structures <i>Michels Corp.</i>	\$42.0	\$34.1	\$7.9	\$0.0	N/A	Nov-2016	May-2018	May-2018
CH058A: Harold Structures - Part 3A: B/C Approach**	In Design				Jul-2015	Jun-2018	N/A	Oct-2020
Systems Contracts								
Systems Package 1: Tunnel Ventilation, Facility Power, Communications, Controls, Security, Fire Detection (CS179) <i>Tutor Perini Corporation</i>	\$606.9	\$546.3	\$60.7***	\$187.0	Mar-2014	Mar-2014	Dec-2019	Jul-2020
Systems Package 2: Signal Installation (CS086)	In Design (Repackaging)				N/A	Jul-2017	N/A	Jul-2020
Systems Package 3: Signal Equipment (VS086) <i>Ansaldo STS USA Inc.</i>	\$21.8	\$19.9	\$1.9	\$3.5	Jun-2014	Jun-2014	Dec-2019	Jul-2020
Systems Package 4: Traction Power (CS084) <i>E-J Electrical Installation Company</i>	\$79.7	\$72.6	\$7.1	\$8.0	Sep-2014	Oct-2014	Dec-2019	Jul-2020

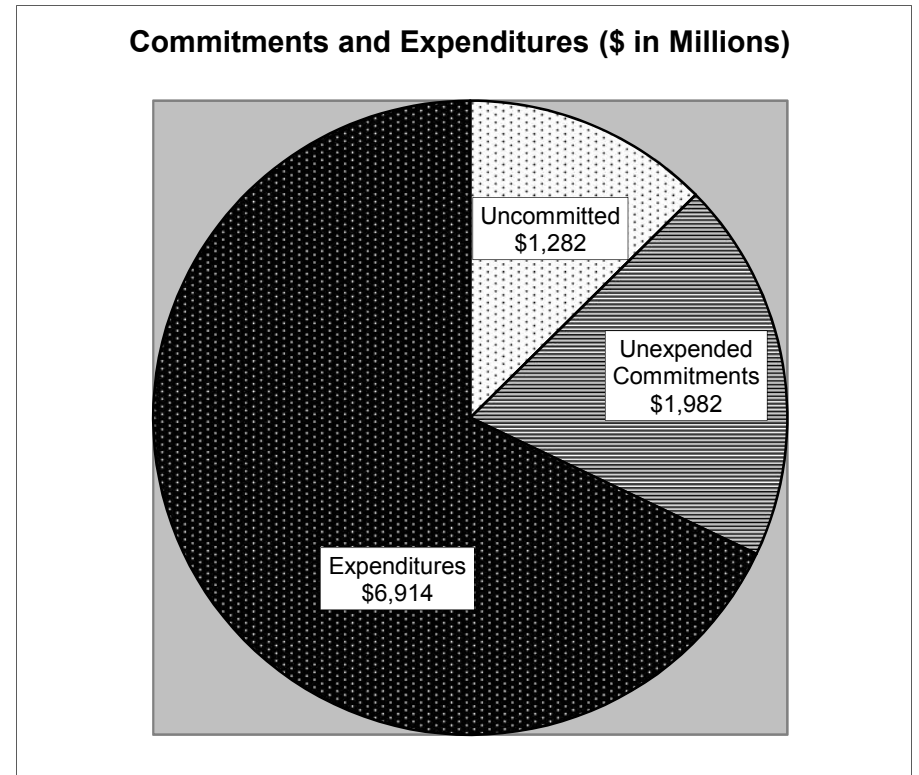
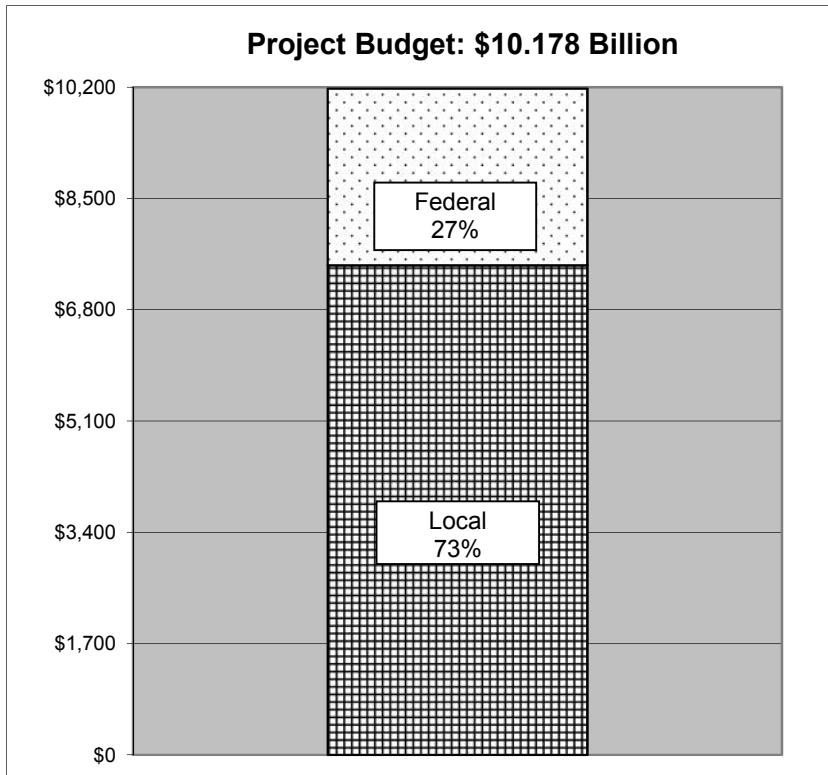
* Remaining contingency includes unawarded options and associated contingency (originally \$26M).

** CH058 contract package is being split into two packages. The first package will be CH058A Harold Structures Part 3A B/C Approach. There will be a future package CH058B which will include regional investment of the Eastbound Reroute.

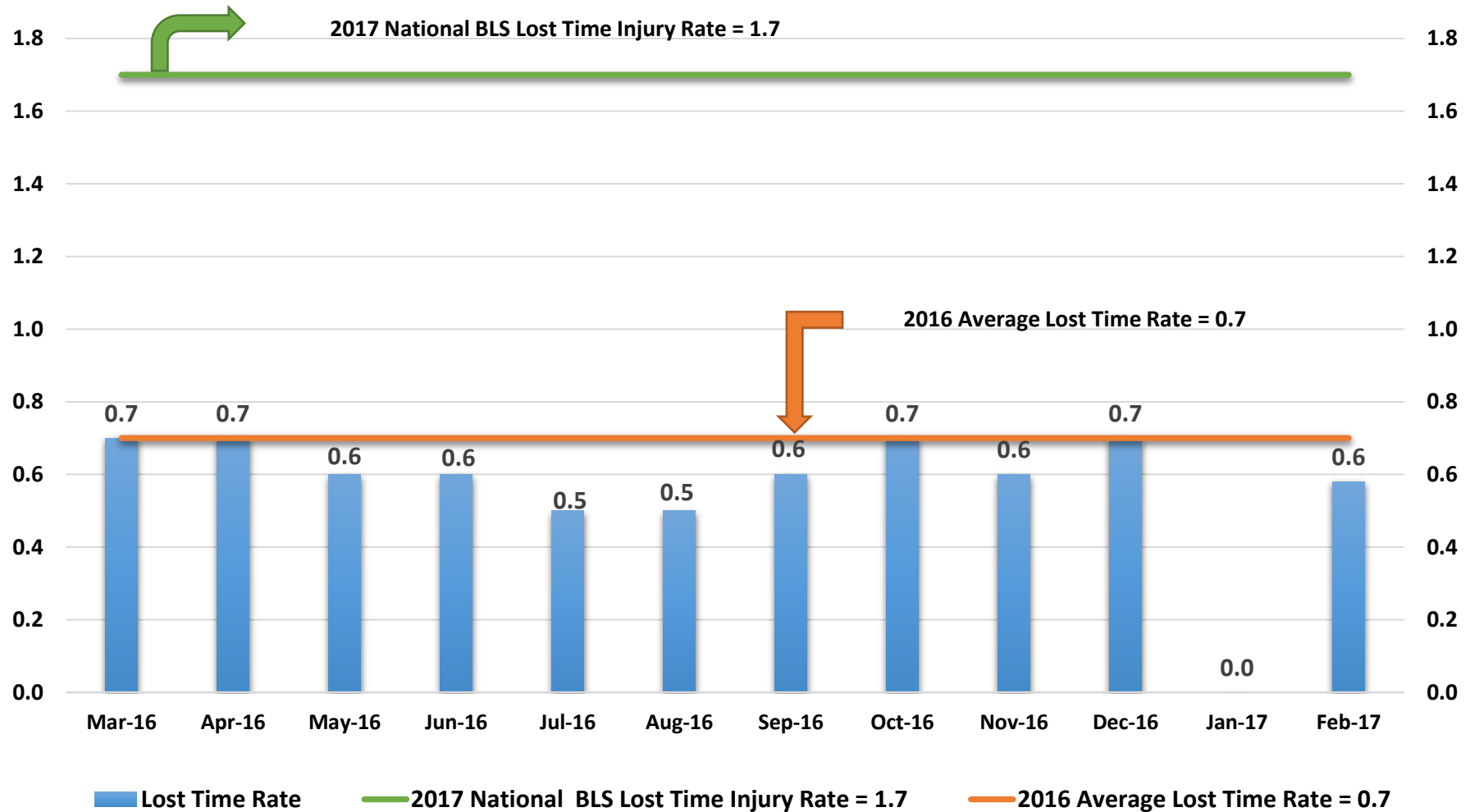
*** Remaining contingency includes unawarded options and associated contingency (originally \$238.48M).

East Side Access Status **Report to the Railroad Committee - April 2017** *data thru March 2017*

MTA Capital Program \$ in Millions	Budgeted	Funding Sources			Status of Commitments		
		Local Funding	Federal Funding	Federal Received	Committed	Uncommitted	Expended
1995-1999	\$ 158	\$ 94	\$ 64	\$ 64	\$ 158	\$ -	\$ 158
2000-2004	1,534	742	792	792	1,533	1	1,523
2005-2009	2,683	839	1,843	1,843	2,675	8	2,636
2010-2014	3,232	3,232	-	-	3,145	87	2,362
2015-2019	2,572	2,572	-	-	1,386	1,186	236
Total	\$ 10,178	\$ 7,479	\$ 2,699	\$ 2,699	\$ 8,896	\$ 1,281	\$ 6,914



ESA Annual Cumulative Profile of Lost Time Injury Rates





Police Report



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Long Island Rail Road

March 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	3	-2	-67%
Felony Assault	1	0	1	100%
Burglary	0	2	-2	-100%
Grand Larceny	7	5	2	40%
Grand Larceny Auto	0	1	-1	-100%
Total Major Felonies	9	11	-2	-18%

Year to Date 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	6	6	0	0%
Felony Assault	5	1	4	400%
Burglary	1	3	-2	-67%
Grand Larceny	17	16	1	6%
Grand Larceny Auto	1	1	0	0%
Total Major Felonies	30	27	3	11%



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Metro North Railroad

March 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	0	2	100%
Felony Assault	3	0	3	100%
Burglary	0	0	0	0%
Grand Larceny	4	7	-3	-43%
Grand Larceny Auto	1	0	1	100%
Total Major Felonies	10	7	3	43%

Year to Date 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	4	3	1	33%
Felony Assault	3	1	2	200%
Burglary	3	2	1	50%
Grand Larceny	18	25	-7	-28%
Grand Larceny Auto	2	1	1	100%
Total Major Felonies	30	32	-2	-6%



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department

System Wide

March 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	3	3	0	0%
Felony Assault	4	0	4	100%
Burglary	0	2	-2	-100%
Grand Larceny	12	12	0	0%
Grand Larceny Auto	1	1	0	0%
Total Major Felonies	20	18	2	11%

Year to Date 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	10	9	1	11%
Felony Assault	9	2	7	350%
Burglary	4	5	-1	-20%
Grand Larceny	36	45	-9	-20%
Grand Larceny Auto	3	2	1	50%
Total Major Felonies	62	63	-1	-2%



MTA Police Department Arrest Summary: Department Totals

1/1/2017 to 3/31/2017

Arrest Classification	Total Arrests	
	2017	2016
Robbery	7	4
Felony Assault	14	4
Burglary	2	3
Grand Larceny	7	12
Grand Larceny Auto	0	2
Aggravated Harassment	2	0
Aggravated Unlicensed Operator	6	9
Assault-Misdemeanor	16	12
Breach of Peace	2	3
Child Endangerment	0	2
Criminal Contempt	3	1
Criminal Impersonation	0	2
Criminal Mischief	15	14
Criminal Possession Stolen Property	4	4
Criminal Tampering	7	1
Criminal Trespass	7	10
Disorderly Conduct	2	1
Drug Offenses	27	13
DUI Offenses	2	1
Forgery	13	16
Fraud	0	3
Graffiti	9	6
Identity Theft	0	1
Issue a Bad Check	0	1
Menacing	4	0
Obstruct Government	5	9
Official Misconduct	0	5
Panhandling	0	1
Petit Larceny	38	41
Public Lewdness	4	42
Reckless Endangerment	3	0
Resisting Arrest	11	8
Sex Offenses	3	1
Stalking	1	0
Theft of Services	49	41
Unlawful Imprisonment/Kidnapping	0	1
VTL Offenses	0	1
Warrant Arrest	13	15
Weapons Offenses	1	0
Total Arrests	277	290

INDEX CRIME REPORT

Per Day Average

March 2017

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	0	0	0	0
Robbery	3	1	2	0
Fel. Assault	4	1	3	0
Burglary	0	0	0	0
Grand Larceny	12	7	4	1
GLA	1	0	1	0
Total	20	9	10	1
Crimes Per Day	0.65	0.29	0.32	0.03



Long Island Rail Road

ACTION

ITEMS

Staff Summary



Item Number:					
Dept/Dept Head Name: Executive Vice President, Elisa C. Picca <i>4/19/17</i>					
Department Head Signature & Date <i>Elisa C. Picca</i>					
Division/Division Head Name: TBD					
Division Head Signature & Date					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	4.24.17			
2	MTA Board	4.26.17			
Internal Approvals					
Order	Approval	Order	Approval		
3	President <i>APM</i>				
2	Executive VP <i>ACP</i>				
1	VP-Gen'l Counsel & Sec'y <i>WJP</i>				

SUMMARY INFORMATION	
Description	Long Island Rail Road Expansion Project Environmental Findings
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative:

I. PURPOSE/RECOMMENDATION

The Long Island Rail Road (LIRR) Expansion project is a transformative improvement to the LIRR system that will improve reliability, allow for bi-directional service at all times during the day and improve quality-of-life and safety in surrounding communities by reducing noise and eliminating wait time and air pollution associated with idling vehicles at grade crossings.

The LIRR requests that the MTA Board adopt the SEQRA Findings Statement relating to the LIRR Expansion Project, included as Attachment 1. The Findings Statement has been prepared pursuant to the requirements of the State Environmental Quality Review Act (SEQRA), and follows the release of a Final Environmental Impact Statement (FEIS) for the Project (described in further detail below). The FEIS and the Findings Statement represent the culmination of a year-long environmental review to study the potential impacts of the Project and to incorporate environmental factors into the preliminary design and decision-making process.

Potential Environmental Impacts of the Project assessed during such environmental review include those relating to: Land Use, Community Character, and Public Policy; Socioeconomic Conditions; Environmental Justice; Visual and Aesthetic Resources; Historic and Archaeological Resources; Natural Resources; Contaminated Materials; Infrastructure and Utilities; Transportation; Air Quality; Noise and Vibration; Construction; Cumulative and Secondary Impacts; Safety and Security; Electromagnetic Fields; Climate Change; Irreversible and Irretrievable Commitment of Resources; and Unavoidable Adverse Impacts.

LIRR considered public comments received during the public hearings, during the 80-day public comment period (that was extended in response to requests from stakeholders for additional time), and throughout the course of project development through ongoing community outreach. As a result of public comments, additional environmental studies were completed and changes were made to the Proposed Project between the Draft Environmental Impact Statement (DEIS) phase and the FEIS. Some of those modifications include refinement to station upgrades and design, location and height of sound attenuation walls, and further analysis of construction noise impacts evaluating potential temporary construction impacts on communities.

The Findings Statement indicates that (1) the requirements of SEQRA have been met; and (2) the Project avoids or minimizes adverse impacts to the maximum extent practicable and feasible, both by virtue of its design and by incorporating as conditions to the Project those mitigation measures identified in the FEIS as practicable and feasible.

The approval of the Board concludes the environmental review process and allows this Project to continue forward into a construction phase once funding has been identified and requisite approvals are in place.

II. PROJECT BACKGROUND

The LIRR Expansion Project is a key element of Governor Andrew M. Cuomo's transportation infrastructure initiatives and is a strategic component of a comprehensive plan to transform and expand New York's vital regional transportation infrastructure and to enhance Long Island's economy, environment and future. The Proposed Project extends for 9.8 miles between the LIRR Floral Park and Hicksville Stations, along which five branches converge, carrying approximately 40 percent of LIRR daily ridership. The Proposed Project includes the following major components:

- installation of a third track within the existing LIRR ROW;
- elimination of all seven street-level crossings within the affected Main Line corridor;
- installation of retaining and sound attenuation walls;
- various station improvements and modifications;
- construction of new parking garages;
- new bridges;
- utility relocations; and
- other related railroad infrastructure improvements for power, communication, and signals.

The addition of a third track would increase track capacity through the corridor making it easier to run trains along this busy, congested rail line. This would improve service reliability and make transit more attractive, with the further goal of getting travelers out of cars, reducing traffic congestion, and reducing adverse environmental impacts. This 9.8-mile stretch also includes seven street-level train crossings ("grade crossings") where road traffic must stop each time a train passes. Eliminating these grade crossings through grade separation (e.g., underpasses) and in two cases, closure to vehicular traffic, is anticipated to substantially reduce noise, traffic congestion, delays, and air pollution, and greatly improve safety for residents, motorists, and pedestrians.

The Proposed Project will have the following benefits:

- Improves service and reduces delays for more than half a million passengers per week – given that 40 percent of LIRR’s daily passengers pass through the Main Line corridor, and that incidents and delays in this critical central artery of the LIRR can cause delays and cancellations throughout the rest of the system;
- Reduces road congestion and pollution from cars idling at crossing gates; eliminates noise from train horns, crossing bells and honking cars at grade crossings; and greatly improves safety by removing areas where vehicles and pedestrians can collide with trains by eliminating all seven grade crossings;
- Significantly reduces noise from current levels throughout the Project corridor with the elimination of seven grade crossings and installation of sound attenuation walls along significant portions of the railroad’s right-of-way;
- Provides an additional 2,395 net new parking spaces at the New Hyde Park, Mineola, Westbury, and Hicksville Stations to help address future ridership growth;
- Provides major station upgrades such as new, longer platforms to accommodate full-length trains, removing delays and safety issues associated with passengers needing to move among cars on shorter platforms, as well as making stations fully ADA-compliant;
- Upgrades and modernizes track infrastructure such as switches, signals, and power equipment.

The LIRR Expansion Project represents a completely different approach to bringing the third track capacity expansion to fruition than past proposals. This approach to the construction of the third track within the existing LIRR ROW completely eliminates the need to displace any residents. Furthermore, grade crossing separation would be completed using an expedited design-build approach to shorten the construction period and avoid the need to build diversion roads, as had been contemplated in prior proposals. This new approach also would reduce the amount of commercial property acquisitions needed for the Project.

At Governor Cuomo’s direction, the LIRR Expansion Project team has undertaken an unprecedented level of community outreach since the proposal was first announced last year, including hundreds of meetings to date with elected officials, community leaders, homeowners along the project corridor, LIRR customers, and stakeholders throughout the region. A staffed, walk-in information office with project documents and other materials has been open since May 2016.

DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS)

In accordance with the requirements of SEQRA, a project that may result in one or more significant adverse environmental impacts requires the preparation of an Environmental Impact Statement (EIS), which analyzes and evaluates the types of potential adverse impacts that were identified during a public scoping process. In order to engage the public and get their input about the Proposed Project, six (6) public scoping meetings were held across the corridor where we received important input about the issues that should be studied in the Draft Environmental Impact Statement (DEIS). After scoping, a DEIS is then prepared and released for public comment. Per SEQRA, the DEIS comment period is intended in part to ensure public participation in the EIS development, allow for an open discussion of issues of public concern, and allow the lead agency and other involved agencies to reach agreement on relevant issues and minimize the inclusion of unnecessary issues. The DEIS for the LIRR Expansion Project was released for public review on Monday, November 28, 2016. Hard copies of the entire DEIS and its appendices were made available for review at the Project Information Center at Mineola Station, at libraries, and at other public locations in and near the project area. An electronic copy of the

DEIS and its appendices was posted online at www.AModernLI.com. The original 65-day comment period was initially scheduled to close on January 31, 2017. To accommodate requests by some communities and elected officials for a longer review period, Governor Cuomo extended the comment period by 15 days until February 15, 2017. In all, the DEIS comment period lasted for 80 days, longer than the DEIS comment periods for other comparable projects. As explained below, a variety of comment methods were available to the public. More than 700 comments were received during the DEIS comment period.

In accordance with SEQRA and the Eminent Domain Procedure Law (EDPL), public hearings on the DEIS and the proposed property acquisitions were held throughout the Project Corridor. The hearings were scheduled during both daytime and evening hours to accommodate a variety of public preferences. Hearings occurred in multiple communities along the Project Corridor and all venues were accessible to persons with disabilities, and language translation services for the hearing impaired and non-English speaking persons were available upon request. Shuttle buses from the Hicksville Station and Mineola Station to the public hearings venues were provided. At these public hearings, the project team presented an overview of the Proposed Project and summarized the conclusions of the DEIS technical analyses. A series of visuals (including engineering alignments and renderings) were displayed. MTA, LIRR, New York State Department of Transportation (NYSDOT), the consultant team staff, and representatives from the Governor's Office were available to answer questions. A total of six public hearings were held at three different locations, as follows:

- Tuesday, January 17, 2017:
 - 11 am to 2 pm at the Yes We Can Community Center in Westbury
 - 6 pm to 9 pm at the Yes We Can Community Center in Westbury
- Wednesday, January 18, 2017:
 - 11 am to 2 pm at Hofstra University in the Town of Hempstead
 - 6 pm to 9 pm at Hofstra University in the Town of Hempstead
- Thursday, January 19, 2017:
 - 11 am to 2 pm at The Inn at New Hyde Park
 - 6 pm to 9 pm at The Inn at New Hyde Park

In total, approximately 1,000 individuals attended the six DEIS public hearings. At each hearing, the public had an opportunity to submit formal comments about the DEIS. Written comments were also submitted by those unable to comment at the hearings. These comments were incorporated into the public record and used to inform project officials during preparation of a Final Environmental Impact Statement (FEIS). Attendees were able to provide oral comments (either in a public or private forum) and written comments (through an on-line database or comment cards). The stenographers' transcripts from each hearing can be found in Appendix 22 to the FEIS.

FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)

The FEIS for the LIRR Expansion Project was published on April 12, 2017. As required by SEQRA, the FEIS presents revisions made to the DEIS, including changes to the Proposed Project as well as any additional studies performed in response to public comment. More than 700 comments were received during the DEIS comment period. A new chapter, Chapter 22, "Response to Comments," provides responses to comments received by February 15, 2017. As part of new information included in the FEIS, a number of proposed project elements

and their descriptions were further developed. Modified elements of the Proposed Project and additional analyses discussed in the FEIS include:

- The architectural design of proposed station improvements;
- Additional soil studies and testing for potential contaminated areas;
- The location and type of Americans with Disabilities Act (ADA)-compliant access or emergency access to station platforms, including at Floral Park station;
- Additional analysis of construction-related noise impacts;
- The specific location, length, and height of various sound barrier walls; and
- The size and design of proposed parking garages at Mineola, Westbury, and Hicksville.

III. ADOPTION OF EIS FINDINGS

MTA LIRR serves as the lead agency with NYSDOT, an involved agency for purposes of SEQRA due to its approval authority with regard to the grade separations and eliminations in the corridor. A proposed Findings Statement has been distributed to Board members, together with copies of the FEIS issued by MTA LIRR, dated April 12, 2017.

The Findings Statement, attached to this Staff Summary as Attachment 1, describes MTA LIRR's role as lead agency for the environmental review of the LIRR Expansion Project. The Findings Statement must be considered and adopted by the Board prior to MTA LIRR's entry into a design-build contract with a third party contractor to design and construct the Project. (In May 2016, the Board adopted a resolution declaring that competitive bidding is inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) procurement method, pursuant to Section 1265-a of the Public Authorities Law, to award a Design/Build construction contract.)

As analyzed by the FEIS, and summarized in the Findings Statement, the Project will avoid or minimize significant adverse environmental impacts to the maximum extent practicable, consistent with social, economic and other essential considerations. Accordingly, the Board is being requested to adopt the Findings Statement.

IV. FUNDING

Funding for the Project will be identified in an amendment to the 2015-2019 Capital Program.

V. RECOMMENDED ACTIONS

It is recommended that the MTA Board adopt the Findings Statement for the LIRR Expansion Project, thus concluding SEQRA environmental review.

LIRR FINDINGS STATEMENT

State Environmental Quality Review Act

This Findings Statement has been prepared in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (“SEQRA”), and its implementing regulations codified at 6 NYCRR Part 617.

Lead Agency: Long Island Rail Road (LIRR)
MTA Long Island Rail Road, MC 1131
Jamaica Station Building
Jamaica, NY 11435

Name of Proposed Action: Long Island Rail Road Expansion Project
SEQRA Classification: Type 1 Action

A. INTRODUCTION

The Metropolitan Transportation Authority’s (MTA) Long Island Rail Road (LIRR) is proposing the LIRR Expansion Project from Floral Park to Hicksville (the “Proposed Project” or “LIRR Expansion Project”). The Proposed Project is a key element of Governor Andrew M. Cuomo’s transportation infrastructure initiatives and is a strategic component of a comprehensive plan to transform and expand New York’s vital regional transportation infrastructure. The Proposed Project extends 9.8 miles between the Floral Park and Hicksville Stations, where five branches converge carrying approximately 40 percent of LIRR’s daily ridership. The addition of a third track would increase track capacity through the corridor making it easier to run trains along this busy, congested rail line. This would improve service reliability and make transit more attractive, with the further goal of getting travelers out of cars, reducing traffic congestion, and reducing adverse environmental impacts. This 9.8-mile stretch also includes seven street-level train crossings (“grade crossings”) where road traffic must stop and loud train horns must blow each time a train passes. Eliminating these grade crossings through grade separation (e.g., underpasses) or, in two cases, closure to vehicular traffic (with pedestrian access maintained) is anticipated to substantially reduce noise, traffic congestion, delays, and air pollution, and greatly improve safety for residents, motorists, and pedestrians.

The primary purpose of the LIRR Expansion Project is to improve rail service, reliability, public safety, and quality of life along the LIRR Main Line segment between Floral Park and Hicksville by constructing a third track and by eliminating street level grade crossings. The Project would also upgrade several station elements (including providing for access upgrades consistent with the requirements of the federal Americans with Disabilities Act) within the Project Corridor, and provide significant additional parking capacity at the New Hyde Park, Mineola, Westbury, and Hicksville Stations. The goals and objectives of the Proposed Project are as follows:

- Reduce delays to commuters from Main Line congestion and rippling effects.
 - Improve on-time performance on all branches.
 - Add resiliency and accelerate recovery time from unplanned service disruptions.
 - Reduce train delays due to roadway incidents or accidents near grade crossings.
- Add operational flexibility eastbound and westbound.

- Improve mobility with additional intra-island service.
- Improve mobility with additional reverse peak service.
- Facilitate scheduled and unscheduled maintenance.
- Provide additional track capacity to accommodate projected system-wide passenger service growth.
- Improve public safety and roadway conditions.
 - Eliminate Main Line street-level grade crossings.
 - Enhance north-south vehicular and pedestrian connectivity in communities along the Main Line.
 - Reduce traffic delays due to grade crossings.
- Reduce noise and improve neighborhood quality-of-life.
 - Reduce noise from train horns.
 - Reduce noise from crossing-gate warning bells.

The Proposed Project will have the following benefits:

- Improve service and reduces delays for more than half a million passengers per week – given that 40 percent of LIRR’s daily passengers pass through the Main Line corridor.
- Reduce road congestion and pollution from cars idling at crossing gates; eliminate noise from train horns, crossing bells and honking cars at grade crossings; and greatly improve safety by removing areas where vehicles and pedestrians can collide with trains by eliminating all seven grade crossings.
- Significantly reduce noise from current levels throughout the Project corridor with the elimination of seven grade crossings and installation of sound attenuation walls along significant portions of the railroad’s right-of-way (ROW).
- Provide an additional 2,395 net new parking spaces at the New Hyde Park, Mineola, Westbury, and Hicksville Stations to help address future ridership growth.
- Provide major station upgrades like new, 12-car platforms to accommodate full-length trains, removing delays and safety issues associated with passengers needing to move among cars on shorter platforms, as well as making stations fully ADA-compliant.
- Upgrade and modernize track infrastructure such as switches, signals, and power equipment.

B. PROJECT DESCRIPTION

The LIRR Expansion Project from Floral Park to Hicksville extends 9.8 miles from the Village of Floral Park to the Hamlet of Hicksville. The Study Area for the Proposed Project generally is defined as one-quarter mile from either side of the railroad centerline, with a one-half mile radius around each LIRR station within the 9.8-mile Project Corridor. The Proposed Project entails the following major components:

- Installation of a third Main Line track from Floral Park Station to Hicksville.
- Elimination of seven existing grade crossings within the project limits to provide grade-separated vehicular and pedestrian crossings at five locations and pedestrian crossings with full closure to vehicular traffic at two locations (South 12th Street and Main Street). Pedestrian access across the tracks at South 12th Street and Main Street would be provided by pedestrian overpasses or, at South 12th Street, either a pedestrian overpass or pedestrian underpass.

- Construction of retaining walls and sound attenuation walls along portions of the corridor.
- Various modifications to passenger rail stations, platforms, and parking (e.g., modified and improved platforms, passenger shelters, Americans with Disabilities Act (ADA) enhancements, and parking modifications including new parking facilities at the New Hyde Park, Mineola, Westbury, and Hicksville Stations).
- Construction of new pedestrian overpasses with elevators at certain LIRR Stations and grade crossing locations.
- Modifications to railroad infrastructure including overpasses, signal systems, substations, culverts, interlockings, crossovers, sidings, track bed, power systems, communications, signals, and maintenance facilities.
- Utility relocations, including electric, signal, communications, gas, water, sewer, and storm sewer conveyances and drainage systems at the grade-separated crossings.

The specific elements of the Proposed Project, all of which are described in detail in the FEIS (as hereinafter defined) and its appendices, and as modified based upon public comment, are as follows:

THIRD TRACK ALIGNMENT

Currently, the LIRR Main Line segment between the Floral Park Station and the Hicksville Station comprises two tracks. Various rail sidings exist on both the north and south sides, and run parallel to the Main Line, but these sidings are not continuous. The LIRR Expansion Project would minimize property impacts and optimize these existing rail sidings by incorporating them into the third track alignment. As a result, the third track would be placed on the north side of the existing two Main Line tracks in some locations and on the south side in other locations.

In several areas, existing underutilized rail sidings would be incorporated into the third Main Line track. In some locations, the two existing Main Line tracks would be shifted slightly to the north or south to facilitate a more desirable alignment and avoid additional property impacts. The Proposed Project would include rail signal improvements, modifications to rail interlockings, and installation of new crossovers. Crossovers allow trains to move from one track to another, providing operational flexibility and allowing trains to change routes. A universal crossover is an arrangement of crossovers that allow trains to move in both directions, from one track to another, or across all tracks where there are more than two. An interlocking is an arrangement of signal equipment and track that prevents conflicting movements through an arrangement of tracks, such as junctions or crossovers. Interlockings allow for flexibility of movement and provide a mechanism for trains to safely change tracks and connect to other rail branches. To facilitate movements between the two existing Main Line tracks and the new third track, several interlockings within the project limits would be modified. In addition, signal equipment would be relocated within the LIRR ROW. Existing communication systems, including cable for ticket vending machines and public address systems, would be relocated as required.

RETAINING AND SOUND ATTENUATION WALLS

The LIRR Expansion Project would include installation of several types of retaining and sound attenuation walls along the corridor. The main purpose of these retaining walls is to reduce impacts to adjacent properties and minimize the need for property acquisition. Without a retaining wall, the portions of the rail line that are elevated above ground surface would require an earthen embankment to be placed underneath, and this embankment would gradually taper down on a slope. Retaining walls also support the placement of track in rail segments that are below grade (i.e., “depressed” or “cut” segments). In addition to minimizing direct property impacts (i.e., acquisition), retaining walls

would help retain soil and ballast, stormwater runoff, track debris, and third rail sparks originating from the railroad ROW, and prevent such items from migrating onto neighboring properties. In some locations, retaining walls optimize the use of LIRR property for station parking and/or equipment. Retaining wall height would be increased in a number of locations near residential properties so that they also provide a sound attenuation function. In a number of locations, freestanding sound attenuation walls would also be constructed.

PASSENGER RAIL STATION IMPROVEMENTS

The LIRR Expansion Project would include improvements to several of the passenger rail stations within the Project Corridor—Floral Park Station, New Hyde Park Station, Merillon Avenue Station, Mineola Station, Carle Place Station, and Westbury Station. As part of the separate Hicksville Station and North Track Siding Improvements Project, station improvements at Hicksville Station are currently being implemented.

Five of the stations (New Hyde Park, Merillon Avenue, Mineola, Carle Place, and Westbury) would be modified to accommodate the new third track, enhance pedestrian access and provide for ADA-compliant accessibility, improve platforms and passenger waiting areas, and meet the requirements of the LIRR station guidelines and applicable codes (including NFPA 130 and the New York State Building Code). The stations would include the following elements:

- Removal of all platforms and replacement with platforms to accommodate 12-car trains (platforms would be heated to facilitate snow removal).
- Eight-foot-wide side platforms, meeting LIRR minimum station guidelines, with ten-foot-wide platforms in certain locations where feasible.
- Canopies for both the eastbound and westbound platforms per LIRR station guidelines.
- Canopies over egress walkways.
- Platform furnishings and accoutrements (e.g., benches, shelters, signage) per LIRR station guidelines.
- Closed circuit television (CCTV) at each station to improve safety and security.
- Provision of pedestrian overpasses/underpasses to connect the eastbound and westbound platforms. Except as noted below, pedestrian overpasses would include ADA-compliant elevators, as well as covered stairs for general access at each platform.
- A minimum of four staircases at each platform to comply with egress requirements.
- A minimum of two ADA-compliant ramps at each platform per New York State accessibility code requirements.

In response to comments from the public, the Project was revised to encompass improvements at the Floral Park Station providing for ADA-compliant access by the addition of elevators and related access improvements.

STRUCTURE MODIFICATIONS

Modifications to existing bridges and other structures at multiple locations along the LIRR Main Line would be required to accommodate the new third track.

UTILITY RELOCATIONS

As part of the engineering design process, a utility inventory was conducted to determine the type, location, and ownership of utilities within the Project Corridor (including at the affected grade crossings and adjacent roadways). Utilities located within the Project Corridor include: LIRR signals and communications; gas; electric; fiber optic; telephone; cable; water; sanitary

sewer; and storm sewer. In general, PSEG-LI electric transmission, LIRR signal and communications, Verizon, and Cablevision are located within the ROW; other types of utilities cross the LIRR ROW along local roads, aerial structures (such as transmission poles), and/or through underground routes. FEIS Appendix 1-A, "Technical Memorandum," provides a list of known utilities and identifies specific locations where the Proposed Project may require utility relocation or other measures, such as replacement and upgrade of utility poles.

TRACTION POWER SUBSTATIONS

Eight LIRR traction power substations exist within the project limits:

- Floral Park Substation, located on Plainfield Avenue opposite 111 Plainfield Avenue.
- New Hyde Park Substation, located at Third Avenue and South 9th Street.
- Merillon Avenue Substation, located at Atlantic Avenue and Hilton Avenue.
- Mineola Substation, located at the southwest corner of Main Street and Front Street.
- Carle Place Substation, located in the southeast quadrant of Meadowbrook State Parkway and the LIRR just north of Mallard Road.
- Westbury Substation, located southeast of Union Avenue and Sullivan Street north of the LIRR.
- New Cassel Substation, located at Broadway and Bond Street north of the LIRR.
- Hicksville Substation, located on the south side of West Barclay Street near Marion Place and adjacent to the LIRR ROW.

With the exception of the Floral Park Substation, which was replaced in 2010, seven existing substations need to be replaced to accommodate the new third track. These substations are roughly 40 years old and near the end of their operating service life. Their present condition and the inability to obtain spare parts warrant that these substations be replaced rather than modified. It is anticipated that the new replacement substations would occupy the same parcels as the present equipment. Each substation would be removed from service and prefabricated substation equipment would be used to expedite the implementation of the new units. This would allow the existing substations to function for a longer period of time, as the prefabricated building can be constructed and factory tested offsite until such time it is deemed necessary to de-energize the existing equipment.

STREET-LEVEL GRADE CROSSINGS

The FEIS considered several potential options for grade separation (or in two instances grade crossing closure) of each Main Line grade crossing in the Study Area. Input received from the public and elected officials for the municipality where the grade crossing is located was considered in identifying a preferred option in the FEIS and in the option selected herein. Various other concepts (e.g., one-way and two-way overpass concepts) were considered and dismissed from further analysis in the EIS, as explained in the Final Scoping Document.

Based upon input received from the public and elected officials for the municipalities where each grade crossing is located, the FEIS identifies a "preferred option" for each grade crossing location. Overall, the FEIS identifies the grade-separation of five streets, providing for vehicular and pedestrian access, and the full closure to vehicular traffic of two streets (South 12th Street in New Hyde Park and Main Street in Mineola) where pedestrian access will be maintained as the "preferred alternative" to be advanced into final design by the selected Design-Build Contractor.

Unlike the project considered in 2005, the LIRR Expansion Project does not require the substantial number of property acquisitions at the grade crossings or the disruption to local

communities through extended construction periods. The LIRR Expansion Project avoids these concerns through re-designing the grade crossing separations in response to community input.

The grade crossing options include:

COVERT AVENUE CROSSING

At Covert Avenue, a two-way underpass with sidewalk would be constructed. To avoid taking residential properties, the LIRR tracks would be raised up to five feet to reduce the depth of Covert Avenue and to accommodate the vehicular clearance under the tracks.

SOUTH 12TH STREET CROSSING

At South 12th Street, two options were considered: the selected option is the permanent closure of the grade crossing with construction of a new pedestrian overpass or underpass; the second option was the construction of a one-way underpass with sidewalk and pedestrian overpass, which is not selected.

NEW HYDE PARK ROAD CROSSING

At New Hyde Park Road, two options were considered: the selected option is a five-lane underpass with a kiss-and-ride northwest of the railroad tracks with a new 95-space surface parking lot; the second option, which was a four-lane underpass with a kiss-and-ride located southwest of the railroad tracks, is not selected.

MAIN STREET CROSSING

At Main Street, two options were considered: the selected option is the permanent closure of the grade crossing with construction of a roundabout on the north side of the railroad tracks, a Kiss-and-Ride lot southwest of the tracks, and a new pedestrian overpass. The second option, considered but not selected, was the construction of a one-way underpass with a new pedestrian overpass.

WILLIS AVENUE CROSSING

At Willis Avenue, two options were considered: the selected option is the construction of a two-way underpass, and the second option, considered but not selected, was the construction of a one-way underpass. A new pedestrian overpass would be constructed under both options.

SCHOOL STREET CROSSING

At School Street, a two-way underpass would be constructed. To accommodate the clearance under the tracks and avoid additional property impacts, the LIRR tracks would be raised several feet. Scenario 1B, which retains School Street access to the commercial property on the northwest corner, is the selected option. A second option, Scenario 1A, with access to the commercial property on the northwest corner of the intersection of School Street and the LIRR tracks to Union Avenue was also considered but is not selected.

URBAN AVENUE CROSSING

At Urban Avenue, a two-way underpass would be constructed. To accommodate the clearance under the tracks and avoid taking residential properties, the LIRR tracks would be raised approximately three feet. Scenario 1A, which provides an alternative access to the commercial property at 100 Urban Avenue is the selected option.

PARKING

The Proposed Project would add a significant amount of new parking near train stations located in the Study Area. Specifically, six new parking garages and one new surface parking lot with a total capacity of 3,853 parking spaces near the New Hyde Park, Mineola, Westbury, and Hicksville Stations would be constructed. Because several of these new parking garages are located on existing surface parking lots, a total of 2,662 net new parking spaces would be added. The Proposed Project would also result in the loss of 208 parking spaces due to conversion of head-on parking spaces to parallel parking spaces; construction of new platforms, ramps, or stairs; and the loss of 59 parking spaces at the grade crossings. The total net new parking spaces resulting from the Proposed Project would be 2,395.

The following parking garages and lots would be provided as part of the Proposed Project:

- A new 95-space surface parking lot at 115 New Hyde Park Road between Plaza Avenue and Second Avenue in the Village of New Hyde Park.
- Mineola South Parking Garage: A new 365-space seven-level parking deck (with one level below grade) on Second Street between Main Street and Willis Avenue on an existing 102-space Village of Mineola surface parking lot. The total supply of parking spaces would represent a net increase of 263 parking spaces.
- Harrison Avenue Parking Garage: A new 551-space six-level parking deck (with one level below grade) on an existing Village-owned 105-space parking lot west of Mineola Boulevard between Harrison Avenue and First Street. The total supply of parking spaces would represent a net increase of 446 parking spaces.
- Westbury South Parking Garage: A new five-level parking deck would be constructed on the south side of the LIRR tracks at the Westbury Station in the current 302-space surface lot. The new parking garage would occupy the eastern portion of the existing parking lot leaving the west end open for 123 surface parking spaces to remain. The total supply of parking spaces would represent a net increase of 500 parking spaces.
- Westbury North Parking Garage: A new three-level parking deck would be constructed on the north side of the LIRR tracks near the Westbury Station in an existing 308-space Village-owned surface parking lot south of Scally Place. The new parking garage would retain 106 existing surface spaces and would represent a net increase of 474 parking spaces.
- Hicksville South Parking Garage: A new four-level 583-space parking deck (with one level below grade) would be constructed on the north side of the LIRR tracks near the Hicksville Station south of West Barclay Street on an existing 190-space surface parking lot. The total supply of 583 parking spaces would represent a net increase of 393 parking spaces.
- Hicksville North Parking Garage: A new four-level 675-space parking deck would be constructed on the north side of the LIRR tracks near the Hicksville Station north of West Barclay Street (west of Bob's Self Storage) on an existing 184-space surface parking lot. The total supply of 675 parking spaces would represent a net increase of 491 parking spaces.

DRAINAGE IMPROVEMENTS

Drainage improvements needed for the Proposed Project were developed based on the various "high points" and delineated watershed areas. In most cases, the new third track would displace existing station platform areas and/or existing drainage ditches. Therefore, relocation and upgrading of drainage ditches and channels would be required. The Proposed Project would include a combination of drainage improvements—such as reuse of existing drainage ditches within the LIRR ROW wherever practical, stormwater swales, connections to local recharge

basins, potential deepening of existing recharge basins to accommodate additional flow, and extension of existing culvert crossings. All stormwater practices would be able to accommodate the peak volume generated by a 100-year storm event.

PROPERTY ACQUISITIONS

There would be no permanent residential property acquisitions as a result of the Proposed Project. As stated above, avoidance of residential property acquisitions and minimization of all property acquisitions are key guiding principles of the LIRR Expansion Project. The strategic placement of retaining walls is critical to optimizing the existing LIRR ROW and minimizing property acquisition. Nonetheless, in some locations, the Proposed Project would extend beyond the existing ROW and require non-residential property acquisition. Most of these acquisitions would result from the grade crossing eliminations. The Proposed Project would require four full commercial property acquisitions and nine partial (strip) acquisitions of commercial or industrial properties that will not affect business operations at those locations. In addition, there would be four permanent easements on commercial or industrial properties to accommodate retaining walls or driveway access that would not compromise business operations. A number of temporary easements would also be required during the construction period as determined by the design-build contractor, for construction staging.

CONSTRUCTION PHASING

Final design and commencement of construction of the Proposed Project is anticipated to commence in 2017. Construction of the Project would take approximately three to four years, depending on the schedule of the competitively-bid contract awarded to the design-build contractor. The bid process will give preference to the shortest construction period with the least impact to the community. However, as detailed in FEIS Chapter 13, "Construction," in any given location, construction activities would occur over a much shorter period. Expedited construction techniques for both the construction of the third track segments and the grade crossing eliminations would result in shorter construction periods of the Proposed Project. Grade crossings requiring complete temporary road closure would target approximately six months for construction. Expedited construction measures at grade crossings requiring only partial temporary road closure would target approximately nine months for construction. Construction of the Proposed Project would entail varying temporary disruptions to rail service, certain passenger rail stations, and local traffic operations.

For the purpose of analyzing construction impacts, this FEIS conservatively assumes that the Proposed Project construction would take approximately four years, commencing in 2017 and completed in 2021. As is typical with a major transportation project, two separate build years are used for FEIS analysis purposes. This approach provides a comprehensive and conservative analysis of environmental impacts for both the 2020 and 2040 build years. Some project elements such as the grade crossings may be completed before 2020, and some would be completed shortly thereafter.

Under the Proposed Project, a number of measures to minimize community impacts would be implemented, such as continued communication with the community, coordination with local school districts, coordination with local emergency service providers, measures to ensure community safety and quality of life, and measures to minimize construction-related environmental impacts.

PROJECT FUNDING

Funding for the Project will be identified in an amendment to the 2015-2019 MTA Capital Program.

C. ENVIRONMENTAL REVIEW

The Proposed Project was reviewed pursuant to SEQRA and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Part 617. A Positive Declaration and a Draft Scoping Document were issued on May 5, 2016. Public scoping meetings were held as follows:

- Tuesday, May 24, 2016 from 11:00 AM to 2:00 PM at The Inn at New Hyde Park;
- Tuesday, May 24, 2016 from 10:00 AM to 2:00 PM at Hofstra University;
- Tuesday, May 24, 2016 from 5:00 PM to 9:00 PM at The Inn at New Hyde Park;
- Tuesday, May 24, 2016 from 6:00 PM to 9:00 PM at Hofstra University;
- Wednesday, May 25, 2016 from 11:00 AM to 2:00 PM at the Yes We Can Community Center in Westbury; and
- Wednesday, May 25, 2016 from 6:00 PM to 9:00 PM at Antun's by Minar in Hicksville.

Comments on the Draft Scoping Document were received through oral statements, written comment cards, the project website (www.AModernLI.com), and written comment letters. LIRR, NYSDOT, MTA, and the New York State Governor's Office also conducted an extensive series of community outreach and stakeholder meetings. In addition, the LIRR Expansion Project Information Center was established in the Mineola Station adjacent to the south platform waiting room. This information center provided opportunities for commuters and the general public to review the Draft Scoping Document, ask questions, and submit comments. Input solicited during the Scoping period was used to inform and guide the alternatives development and data collection efforts. A Final Scoping Document reflecting the results of the public scoping process was issued on August 26, 2016.

The LIRR prepared a Draft Environmental Impact Statement (DEIS) to evaluate the Proposed Project's potential to result in significant adverse environmental impacts. The DEIS and its associated Notice of Completion were issued on November 28, 2016. Public hearings on the DEIS were duly noticed and held as follows:

- Tuesday, January 17, 2017:
 - 11 am to 2 pm at the Yes We Can Community Center in Westbury
 - 6 pm to 9 pm at the Yes We Can Community Center in Westbury
- Wednesday, January 18, 2017:
 - 11 am to 2 pm at Hofstra University in the Town of Hempstead
 - 6 pm to 9 pm at Hofstra University in the Town of Hempstead
- Thursday, January 19, 2017:
 - 11 am to 2 pm at The Inn at New Hyde Park
 - 6 pm to 9 pm at The Inn at New Hyde Park

LIRR considered public comments received during the public hearings, during the 79-day public comment period that was extended in response to requests from stakeholders for additional time,

and throughout the course of project development through ongoing community outreach. More than 700 comments were received during the comment period. LIRR completed and issued a Notice of Completion and Final Environmental Impact Statement (FEIS) on April 12, 2017. A new chapter, Chapter 22, “Response to Comments,” is included in the FEIS, and provides responses to the comments received by the lead agency during the public comment period. As part of new information included in the FEIS, a number of proposed project elements and their descriptions were further developed. Modified elements of the Proposed Project and additional analyses discussed in the FEIS include:

- The architectural design of proposed station improvements.
- Additional soil studies and testing for potential contaminated areas.
- The location and type of Americans with Disabilities Act (ADA)-compliant access or emergency access to station platforms, including at Floral Park Station.
- Additional analysis of construction-related noise impacts.
- The specific location, length, and height of various sound attenuation walls.
- The size and design of proposed parking garages at Mineola, Westbury, and Hicksville.

The FEIS upon which these Findings are based examines a full range of issues related to the natural and human environments, a summary of which examination is as follows:

LAND USE, COMMUNITY CHARACTER, AND PUBLIC POLICY

Under the Proposed Project, no changes to land use (with the exception of impacts to a limited number of businesses) or land use patterns in general would occur either in the build year (2020) or analysis year (2040). Land use within the LIRR ROW would continue to exclusively consist of railroad transportation. Use of the ROW for ancillary purposes, such as power transmission to serve the transportation facility, also would continue. Transportation land use within existing roadways would continue. Use of properties abutting roadways would not be subject to adverse impacts with a small number of exceptions—small slivers of land associated with commercial uses would be acquired and converted to transportation use, and four existing non-residential structures would be acquired, demolished, and repurposed to accommodate transportation use. The Proposed Project would not impact general land use patterns of the communities in the Study Area. Residential areas within the Study Area would remain residential. Commercial areas would remain commercial and other use patterns also would persist. Any deviation from this persistence of land use would occur with or without the Proposed Project, as a result of other planned projects and reasonably foreseeable changes.

The addition of pedestrian overpasses and parking garages would introduce a new visual element into the surroundings, but the Proposed Project would not alter the visual or community character of the area within the 2020 or 2040 analysis year timeframes. While individual commercial parcels (four full acquisitions and nine partial acquisitions) along the existing 9.8-mile railroad corridor would be affected in order to accommodate grade crossing elimination and installation of third track segments, the communities in which those parcels are located would not experience significant adverse impacts. The addition of a third track within the existing LIRR ROW and the concomitant addition of train trips and the increase in bi-directional service would not have any adverse impact on the character of the communities within the Study Area; instead, the Proposed Project would improve mobility within these communities, benefiting those communities and the people who live in them, work in them, or would like to work in them, as well as community businesses that stand to benefit from improved transportation

connectivity. The construction of grade-separated crossings within these communities would improve vehicular and pedestrian safety, better facilitate north-south traffic movement, and eliminate idling times when gates are down, thereby improving air quality. Eliminating the current grade crossings would also eliminate the need for crossing gates, bells, and train whistles, thereby reducing noise related to railroad operation. These would be benefits in terms of community character.

Based on the above, LIRR finds that the Proposed Project would not result in adverse impacts in terms of land use, community character, and public policy in the foreseeable future, including both the 2020 and 2040 analysis year timeframes. All components of the Proposed Project—rail, grade crossings, station and other rail infrastructure improvements, and parking—are consistent with the policies set forth in the applicable land use and transportation plans, the salient points of which are summarized in Chapter 2 “Land Use, Community Character, and Public Policy.”

SOCIOECONOMIC CONDITIONS

Overall, the Proposed Project is intended to increase train capacity and improve mobility in the region, which would be beneficial to residents, transit users, and employees in the Study Area. There would be no residential displacement with the Proposed Project. While four existing businesses would have their parcels acquired and would be displaced, the parcel owners would receive just compensation and the business owners would receive relocation assistance, with priority given to relocation within the same hamlet or village where the displaced business currently operates.

The construction of the Proposed Project would result in the investment of significant capital into the local and regional economy. The Proposed Project is estimated for study purposes to cost approximately \$2 billion, which includes construction, design, contingency, force account, and agency cost. Construction of the Proposed Project is estimated to create 1,297 full-time equivalent (FTE) direct construction employment opportunities in Nassau County. In addition to direct employment, construction of the project would create additional jobs off-site in Nassau County (762 FTE) and Suffolk County (24 FTE) and the rest of the state (46 FTE). In the broader state economy, total direct and indirect employment from construction of the project would be 2,130 FTE. Direct wages and salaries from constructing the project are estimated at about \$637.07 million. In the broader New York State economy, total direct and indirect wages and salaries from constructing the project would be even greater (approximately \$962.42 million, including \$926.70 million in Nassau and \$10.36 million in Suffolk). The total effect on the local economy, expressed as economic output or demand for local industries, is estimated at approximately \$3.18 billion for Nassau County, \$47.14 million for Suffolk County, and approximately \$3.33 billion for the New York State economy overall.

While the Proposed Project would result in temporary disruptions to business districts during the six- or nine-month period of construction necessary to eliminate the grade crossings, general business operations would not change and there would be improved vehicular and pedestrian access to the Study Area’s business districts following completion of the grade crossing eliminations. Accordingly, LIRR finds that the Proposed Project would not result in any significant adverse socioeconomic impacts.

ENVIRONMENTAL JUSTICE

Environmental justice communities, as defined by the New York State Department of Environmental Conservation, exist within the Study Area, including at the locations of the seven grade crossings that would be eliminated under the Proposed Project.

Construction of the Proposed Project elements would occur throughout the Project Corridor over a four-year period. However, temporary impacts associated with construction at localized segments would be of shorter duration, limiting construction impacts. These temporary impacts would be experienced broadly through the Study Area. The Proposed Project would not result in disproportionate construction impacts to environmental justice communities. In the operational phase, the Proposed Project would result in beneficial impacts within the Study Area, including to environmental justice communities, in terms of enhanced mobility, air quality, and reduced noise due to the elimination of grade crossings and the installation of sound attenuation walls. Accordingly, no significant adverse impacts would be experienced in environmental justice communities.

VISUAL AND AESTHETIC RESOURCES

Construction of the Proposed Project would require removal of vegetation within the LIRR ROW, construction of new retaining and sound attenuation walls, construction of new pedestrian overpasses and parking garages, and relocation of certain utility infrastructure within the LIRR ROW and near the grade crossings. New project elements—such as retaining and sound attenuation walls, overpasses, parking garages and new utility poles—would be visible from multiple locations within the Study Area and would introduce new visual elements at certain locations. However, they would not result in any significant adverse visual impacts, as use and enjoyment of any sensitive receptors (e.g., parks and open spaces or historic resources) identified in the Study Area where views of the new project elements would be possible, would not be degraded. Accordingly, the Proposed Project would not result in significant adverse impacts to visual and aesthetic resources.

HISTORIC AND ARCHAEOLOGICAL RESOURCES

ARCHAEOLOGICAL RESOURCES

No previously identified archaeological sites, New York State Museum sites, National Register archaeological listings, or archaeological districts are located within the Project Corridor or within the ¼-mile archaeological resources study area for the LIRR Expansion Project.

The LIRR ROW along the 9.8-mile length of the Project Corridor has been determined to possess little to no pre-contact or historic period archaeological potential. Therefore, LIRR finds that the proposed track alignment and station modifications would have no significant adverse impact on archaeological resources.

The Proposed Project would involve temporary ground disturbance during construction at the seven proposed grade crossing locations. However, research has documented extensive prior disturbance at each of the grade crossing locations through the installation of multiple utility lines, excavation for catch basins and storm drains, construction and demolition of structures, and realignment of streets. Due to the extent of prior subsurface disturbance, the FEIS concluded that it is highly unlikely that the proposed grade crossing modifications would have the potential to impact any intact archaeological resources that may once have been present at the seven grade crossing locations. Accordingly, LIRR finds that the grade crossing component of the Proposed Project would have no significant adverse impact on archaeological resources.

The preliminary list of possible construction staging area locations includes existing LIRR substations, commercial properties, station parking lots, existing roads, potential commercial property takings, a wooded area, and certain areas within and adjacent to the LIRR ROW. Most of these areas do not possess precontact- or historic period archaeological potential due to the extent of documented prior subsurface disturbance. The wooded area is a recharge basin/sump that has been excavated and therefore does not possess archaeological potential. The remaining staging areas are located at existing parking lots, or on extant streets, and are paved. From an archaeological perspective, paved surfaces serve to protect any buried archaeological resources that may be present. Therefore, LIRR finds that the use of the staging areas during construction would have no effect on archaeological resources because all work would occur on the paved surfaces with no subsurface disturbance.

The proposed parking improvement sites in New Hyde Park, Mineola, Westbury, and Hicksville possess very little to no archaeological potential. Cartographic research undertaken for the Proposed Project, which is detailed in the Final Phase 1A Archaeological Sensitivity Assessment, shows that historic development of these sites was sparse prior to the development of the existing paved parking lots. Further, the extent of prior subsurface disturbance at these locations has, in all likelihood, destroyed the integrity of any potential remains from earlier development.

The proposed new surface parking lots in New Hyde Park and Mineola would not result in new ground disturbance of undisturbed soils. These proposed parking facility locations do not possess archaeological potential. Historic development at the six proposed parking structure locations in Mineola, Westbury, and Hicksville was also extremely limited and none of the documented structures that had occupied these sites had basements. Prior subsurface disturbances at these sites include drainage systems, underground utilities, and grading prior to the existing paving. In order to minimize any potential significant adverse impacts, LIRR would require the selected design-build contractor to prepare and implement a Construction Protection Plan (CPP) in consultation with OPRHP for any archaeological resources located within 100 feet of Proposed Project construction. The CPP would set forth the specific measures to be implemented to protect archaeological resources during construction of the Proposed Project. LIRR finds that with these measures in place, there would be no significant adverse impacts from the new parking garage element of the Proposed Project on archaeological resources.

ARCHITECTURAL RESOURCES

Direct Impacts

There are two historic architectural resources within the LIRR ROW, south of the tracks along the Project Corridor—the Nassau Tower, an LIRR signal house located adjacent to the tracks in Mineola, and the former Mineola LIRR Electrical Substation—both of which are eligible for listing on the State/National Registers of Historic Places (S/NR-eligible). These two historic structures would be demolished and the site would be redeveloped with station area improvements. The demolition of S/NR-listed properties—the Nassau Tower and the former Mineola LIRR Electrical Substation—would constitute an Adverse Impact to historic resources under SEQRA and Section 14.09 of the New York State Historic Preservation Act. Measures to mitigate the adverse impact would be developed in consultation with OPRHP and set forth in a Letter of Resolution (LOR) to be executed among the involved parties would be prepared. No other historic architectural resources are located within the LIRR ROW; therefore, no other

historic architectural resources would be directly impacted by modifications to the track alignment or parking structures and surface parking lots.

The proposed modifications to the seven Project Corridor train stations and the preliminary construction staging areas also would not directly impact any known or potential architectural resources, as none of the affected train stations or preliminary staging area locations include any known or potential architectural resources. The proposed alterations to the grade crossings and bridges also would not directly impact any known or potential architectural resources within the Project Corridor.

Indirect impacts

To ensure that construction activities associated with the Proposed Project that would be undertaken within 100 feet of architectural resources would not cause inadvertent physical impacts to historic architectural resources, LIRR would prepare and implement a CPP in consultation with OPRHP for any architectural resources located within 100 feet of the Proposed Project construction. The CPP would set forth the specific measures to be implemented to protect historic architectural resources during construction of the Proposed Project.

The proposed changes to the track alignment would be entirely within the LIRR ROW and the proposed station modifications would have minimal aesthetic impact. These project components would not affect the setting, views to, or historic character of historic resources in the Study Area. Therefore, the proposed track alignment would not indirectly cause any significant adverse impacts on any historic architectural resources in the Study Area. The preliminary construction staging areas identified in the FEIS would be located at a distance from historic architectural resources, and as such, would not result in indirect impacts.

The proposed grade crossings and parking structures would result in new physical features that could affect the setting of historic architectural properties. No historic architectural resources are located within sight of the Study Area grade crossings. However, one known architectural resource and one potential architectural resource are located within sight of proposed parking structures in Westbury and Hicksville. In Westbury, the 164 Post Avenue building—a potential architectural resource—is located approximately 50 feet northwest of the Scally Place parking structure site. Although this potential architectural resource is within sight of the Scally Place parking structure site, the building's primary façade is oriented toward Post Avenue, away from the parking structure site. Further, the 164 Post Avenue building does not have a contextually meaningful relationship with the proposed parking structure site. Therefore, the proposed parking structure would not introduce visual, audible, or atmospheric elements that would be out of character with the 164 Post Avenue building, nor would the proposed parking structure isolate the potential architectural resource from its surroundings or adversely alter its setting. In Hicksville, the proposed parking structures located north and south of West Barclay Street would be within sight of the Hicksville USPS Main Post Office to the west. However, the post office building is oriented away from these parking structure sites and does not have a meaningful visual or contextual relationship to the surface parking lots that would be redeveloped with new parking structures. The two Hicksville parking structures would not introduce visual, audible, or atmospheric elements that would be out of character with the Post Office, nor would the proposed parking structures isolate the Post Office from its surroundings or adversely alter its setting. Therefore, the Proposed Project would not result in any significant adverse indirect impacts to historic architectural resources.

Accordingly, with the exception of the demolition of the Nassau Tower, an LIRR signal house located adjacent to the tracks in Mineola, and the former Mineola LIRR Electrical Substation, there will be no other significant adverse direct or indirect impact to historic architectural resources as a result of the Proposed Project.

NATURAL RESOURCES

Habitat for vegetation and wildlife within and surrounding the Study Area is limited due to extensive residential, commercial and industrial land uses present within the Study Area and associated large areas of impervious surface. The Study Area does not contain any floodplains, naturally-occurring water bodies or wetlands, or threatened, endangered, or special concern species. Groundwater is a concern given the sensitivity of the Nassau/Suffolk Aquifer System, a sole source aquifer underlying the Study Area. However, drainage and stormwater management practices will ensure the protection of groundwater during operation of the Proposed Project. Accordingly, LIRR finds that the Proposed Project will not result in significant adverse impacts on the natural resources within the Study Area.

CONTAMINATED MATERIALS

Portions of the Study Area are and/or were used historically for railroad operations and other industrial activities. Common contaminants found in the subsurface at railroad properties include creosote, petroleum products, solvents, volatile and semi-volatile organic compounds, heavy metals, polychlorinated biphenyls (PCBs), pesticides, and herbicides. Based on the FEIS analysis there are a number of areas along the ROW, at the grade crossings, and at the parking garage sites that may be disturbed during construction of Project elements. Studies generally consistent with Phase I Environmental Assessments were prepared that encompass these locations. Additionally, a sub-surface soil sampling program was conducted at 39 locations within and along the LIRR ROW. The soil sampling confirmed that fill material appears to have been used to raise and level the LIRR ROW when it was developed and that this material contains levels of certain metals, pesticides, PCBs and polycyclic aromatic hydrocarbons that are in excess of NYSDEC's most stringent Unrestricted Use Soil Cleanup Objectives (SCOs), indicating that this soil cannot be deemed "clean fill" or uncontaminated native soil. However, all analytical results were well below all applicable standards for commercial/industrial property, except for one soil boring location that exceeded the industrial SCO for arsenic (23.8 mg/kg versus 16 mg/kg).

Phase I ESAs and subsurface testing were also conducted at six sites where parking garages have been proposed. Testing could not occur at the four other property acquisition sites that are privately owned because access for testing could not be obtained; however, Phase I ESAs were conducted at those sites. The additional sub-surface sampling also did not reveal the presence of VOCs, SVOCs, PAHs, or PCBs exceeding NYSDEC's Unrestricted Use SCOs. While pesticides were detected at levels exceeding Unrestricted Use SCOs in four soil samples (SB-03 and SB-04 at Barclay Street lot, SB-03 at Scally Place lot and SB-02 at John Street lot), none of the samples exceeded the applicable Commercial Use SCOs or other SCOs for restricted residential or industrial uses.

Elevated metals, which are frequently encountered in urban fill materials, were detected in a limited number of locations. Arsenic exceedances of the Unrestricted Use SCO were detected in two samples at two locations, with one sample exceeding the Commercial SCO as well. Lead exceedances of the most stringent Unrestricted Use SCO were also detected at two locations, but these samples did not exceed any other SCOs. The testing revealed one exceedance of the

Unrestricted Use SCOs for zinc and copper, and one sample exceeded the Commercial Use SCO for mercury but was below the Industrial Use SCO.

LIRR finds that the potential for adverse impacts at sites where contamination above NYSDEC's Soil Cleanup Objectives were detected would be avoided by ensuring that construction activities are performed in accordance with the following protocols:

- Once the limits of subsurface disturbance associated with the Proposed Project have been determined, subsurface (Phase II) investigations would be conducted at all of the acquisition sites with a significant potential to affect one or more of the areas of proposed subsurface disturbance (based on proximity, depth of disturbance, type/mobility of contaminants, etc.) that have not been sampled previously.
- Based on the results of the subsurface investigations performed or that will be performed, a Remedial Action Plan (RAP) and Construction Health and Safety Plan (CHASP) would be prepared by the design-build contractor and implemented during project construction. These plans would address both known environmental conditions identified by the prior investigations, and that others could be encountered during all subsurface disturbance associated with project construction. The plans would present measures for contaminated soil, groundwater, and USTs in accordance with applicable federal, state, and local regulations. Contaminated soil management includes guidelines for temporary on-site stockpiling and off-site transportation and disposal. The plans would incorporate safety and other measures to minimize the potential for impacts to the community and construction workers.
- If dewatering is required for construction, testing would be performed to ensure compliance with applicable discharge regulatory requirements. If necessary, pre-treatment would be conducted prior to discharge.
- If removal and disposal of any electrical equipment that may contain mercury or PCBs—such as transformers—was necessary, it would be performed in accordance with applicable federal, state and local regulations and guidelines.
- Prior to any activities required as part of the Proposed Project that could disturb potential asbestos containing material (ACM), a comprehensive asbestos survey of areas (including underground utility vaults) to be disturbed by the Proposed Project would be conducted; this would include the sampling of all suspect materials to confirm the presence or absence of asbestos. All identified ACM would be removed and disposed of prior to construction in accordance with all federal, state, and local regulations.
- Any demolition activities with the potential to disturb lead-based paint (LBP) would be performed in accordance with applicable Occupational Safety and Health Administration regulations including OSHA 29 CFR 1926.62 - Lead Exposure in Construction.
- All material that needed to be disposed of (e.g., miscellaneous debris, tires, contaminated soil and any excess fill) would be characterized and disposed of off-site in accordance with applicable federal, state, and local requirements.

LIRR finds that with the implementation of these protocols, no significant adverse impacts related to hazardous materials would result from demolition and/or construction activities related to the Proposed Project. Following construction, there would be no potential pathways for human exposure to hazardous materials and thus no further potential for significant adverse impacts.

INFRASTRUCTURE AND UTILITIES

The Proposed Project will require new LIRR-specific utility infrastructure and may require the relocation of some existing utilities both within the LIRR ROW and near grade crossings where improvements are proposed. As these improvements are made, in close coordination with the respective utility companies, LIRR will explore opportunities to improve the existing infrastructure or upgrade it to current design standards. For instance, in the case of utility poles carrying overhead electric power lines, design standards were modified after Hurricane Sandy to avoid or minimize impacts that might occur from future powerful storms. As a result, all overhead electric power lines running longitudinally along the LIRR in the Project Corridor that would have to be relocated for the Proposed Project would be installed on new, approximately 90-foot-tall steel poles. Poles at grade crossings would also be replaced with wood utility poles that would be approximately five to ten feet higher than existing wood poles near the grade crossings.

The businesses and residents of Long Island rely on these utilities and their related infrastructure to be available on a daily, round-the-clock basis. Inventorying utilities within the Study Area will facilitate the relocation of existing utilities in coordination with construction of the Proposed Project; thereby avoiding or minimizing impacts on the residents and businesses in the Study Area. Because all existing utilities would be replaced within the LIRR ROW or in locations where utility poles already exist in a fashion that reduces the number of poles overall, and because no long term disruptions in service to Study Area customers would result, LIRR finds that there would be no significant adverse impacts to utilities within the Study Area.

TRANSPORTATION

RAIL SERVICE AND RIDERSHIP

The Proposed Project would result in the expansion of Main Line train service with eight additional eastbound trains (reverse peak direction) and one more westbound train (peak direction) during the morning peak period; equivalent additional service in the reverse pattern would be offered in the evening peak period. Beyond these enhancements to services offered, the Proposed Project would improve reliability and flexibility in operations, critical for supporting the planned 50 percent peak hour service increases associated with the East Side Access Project that has been previously approved and is currently under construction. The Proposed Project would result in ridership increases associated with expanded reverse peak service. In the 2040 Build Condition, the Main Line corridor would see more than 60 percent growth in reverse peak ridership when compared to the existing condition. Furthermore, the improvements in reliability of the LIRR operation associated with the Proposed Project support the anticipated ridership growth with the East Side Access Project and would optimize those ridership benefits over time.

BUS SERVICE

The Proposed Project is not anticipated to change the demand for Nassau Inter-County Express (NICE) bus services with connections to LIRR Stations. While increased reverse peak service in the Proposed Project could result in increased demand for NICE bus service with connections to LIRR Stations, this increased demand would be accommodated with adjustments to NICE bus service to complement the changes in LIRR ridership.

VEHICULAR TRAFFIC

The Proposed Project would reduce all vehicular traffic delays and queues at each of the seven grade crossings, which in turn would improve traffic flow and mobility throughout the Study

Area. In New Hyde Park, when trains approach the station, the LIRR gates are in the down position approximately 32 to 42 percent of the time in the AM and PM peak hours. In Mineola, the gates are in the down position as much as 53 percent of the time; in Westbury, they are in the down position approximately 27 to 35 percent of the time. Without the Proposed Project but with additional trains being operated with the LIRR's East Side Access Project in place by 2023, gates would be in the down position for more time during the peak hours, increasing the already substantial vehicular traffic delays; it would also increase the unpredictability to motorists as to how long their delays would be, especially when back-to-back trains through the station areas cause extended gate down times.

With the elimination of all seven grade crossings, including the closure of South 12th Street in New Hyde Park and Main Street in Mineola to vehicular traffic (with pedestrian traffic maintained through construction of pedestrian crossings), and the construction of the six parking structures, traffic diversions are expected to occur. The potential impacts of these diversions were analyzed in detail and are documented in Chapter 10 of the FEIS. The detailed vehicular traffic analyses account for the annual growth in general background traffic, traffic expected to be generated by new commercial or residential development in the station areas, and new station-oriented traffic that would be generated by new LIRR riders. Adverse significant traffic impacts for the grade crossing configurations denoted as preferred in the FEIS and selected herein that could be generated by the Proposed Project in the 2020 analysis year would occur in the Village of New Hyde Park (see page 10-42 to 10-43), the Village of Mineola (see page 10-48), the Village of Westbury (see page 10-50), and Hicksville (see page 10-52). As described on these pages, these impacts could all be mitigated through the implementation of such methods as signal phasing and timing modifications, the installation of four new traffic signals (one in New Hyde Park, two in Mineola and one in Westbury), lane re-striping and intersection channelization modifications, and on-street parking prohibitions at select locations where additional traffic capacity is needed. Similar analyses were completed for the 2040 analysis year with similar results, albeit at a greater number of intersections given the growth in background traffic. Projected impacts and mitigation for the 2040 analysis year in the Village of New Hyde Park are described at page 10-63, in the Village of Mineola at page 10-67, in the Village of Westbury at pages 10-70 to 10-71, and in Hicksville at page 10-73.

Emergency vehicle travel times would remain comparable or improve with the elimination of grade crossings via the construction of underpasses. The closure of grade crossings in New Hyde Park (i.e., South 12th Street) and Mineola (i.e., Main Street) would result in the diversion of emergency vehicles to the adjacent crossing locations, where they could proceed unimpeded by stoppages due to LIRR gates being in the down position. LIRR finds, based on the analysis contained in the FEIS, that with the elimination of existing grade crossings and the implementation of traffic mitigation measures outlined under "Vehicular Traffic" in Chapter 10 of the FEIS, emergency vehicle access times would remain generally comparable to conditions without the Proposed Project or improve.

PARKING

Parking demands that would be generated by the Proposed Project itself are not substantial and would not generate the need for additional station area parking. Accordingly, LIRR finds that the Proposed Project would not result in significant adverse impacts on parking availability in the Project Study Area. However, the East Side Access Project is expected to add to the demand for parking regardless of whether the Proposed Project is constructed. The Proposed Project recognizes that demand for parking will grow in the future and therefore includes additional

parking as a Project component. It would add 95 parking spaces at New Hyde Park, two parking garages totaling 916 spaces at Mineola, two parking garages totaling 1,355 parking spaces at Westbury, and two parking garages totaling 1,258 spaces at Hicksville. These six new parking garages would replace existing surface parking lots at those stations. The proposed vehicular traffic mitigation measures would also result in parking losses on-street where additional traffic capacity is needed to improve traffic flow at key intersections. The LIRR finds that the minor loss of on-street parking in the Village of Floral Park, the Village of New Hyde Park, the Village of Garden City, the Village of Mineola, the Hamlet of Carle Place, and the Village of Westbury is not considered a significant adverse impact. The net increase in commuter parking spaces would be substantial at Mineola, Westbury, and Hicksville and would be a major benefit of the Proposed Project.

PEDESTRIAN CONNECTIVITY AND BICYCLE ACCESS

The Proposed Project would not significantly increase the volume of pedestrians crossing the tracks, but would provide for the safe crossing of pedestrians at locations where underpasses or pedestrian overpasses would be built or where street closures would occur. The modifications to the grade crossings would be designed to accommodate bicycle traffic within travel lanes (consistent with NYSDOT Complete Streets policies) and there would be no conflicts between pedestrians and vehicular traffic crossing from one side of the tracks to the other. Pedestrian connectivity would be maintained wherever underpasses are built. Accordingly, LIRR finds that the Proposed Project would not result in significant adverse impacts on pedestrian connectivity and bicycle access.

VEHICULAR AND PEDESTRIAN SAFETY

There have been a total of six crashes over the past ten-year period that resulted in a fatality at the seven grade crossing locations, and additional crashes that resulted in personal injuries or property damage to the vehicles involved. The elimination of grade crossings would eliminate fatalities involving vehicular traffic being struck by LIRR trains. With the reduction in vehicular traffic delays due to elimination of the seven grade crossings, LIRR finds that pedestrian and vehicular safety would also be improved at these locations and potentially at nearby locations.

AIR QUALITY

Future air quality conditions would be improved in the Study Area as compared to existing conditions. This improvement is attributable to federal and statewide efforts to reduce pollution from newer vehicle models as well as additional improvements to air quality in the neighborhoods along the corridor due to reduction in idling time at grade crossings. The overall improvement to critical rail transit infrastructure also has beneficial air quality impacts to the extent that it encourages additional rail transit over motor vehicle use. At some local intersections, air quality could be slightly affected due to changes in traffic patterns. Overall, based on the air quality analysis described in this section, LIRR finds that no significant adverse air quality impacts would occur as a direct result of the Proposed Project.

NOISE AND VIBRATION

Under the Proposed Project, noise conditions would be significantly improved over existing conditions and the Future Without the Proposed Project scenario, due to the grade crossing eliminations and installation of sound attenuation walls along a substantial portion of the LIRR ROW where the third track would be added. The grade crossing eliminations would eliminate the need for the use of train horns and warning bells at grade crossings, and the installation of sound attenuation walls would reduce noise from trains below existing conditions despite the increase in train traffic projected in the future. Similarly, vibration conditions with the Proposed

Project would either remain the same or be significantly improved compared to existing conditions due to the inclusion of new rail technology, such as resilient fasteners and rail pads and/or high-speed turnouts with frogs that reduce vibration as part of the design. Accordingly, no significant adverse noise or vibration impacts are predicted as a result of the Proposed Project.

CONSTRUCTION IMPACTS

Construction of the Proposed Project would result in some temporary disruptions in the surrounding area. This FEIS conservatively assumes a four-year construction schedule (see Figure 13-1 of the FEIS), commencing in 2017, for construction of the Proposed Project. However, the construction period at any particular location would be significantly less than that, and in no instances would construction exceed two years in any particular location. In addition, LIRR in its contract with the design-build contractor will incentivize the contractor to develop methods to expedite the construction period and to minimize community impacts.

LIRR finds that construction of the Proposed Project would not result in significant adverse impacts with respect to land use and community character, environmental justice, visual resources, natural resources, or site safety. Construction of the Proposed Project would result in the temporary change of the use of a limited number of individual parcels used for construction staging, but LIRR concludes that construction of the Proposed Project would not permanently change the patterns of land use and character of the communities within the Study Area.

Specifically, LIRR concludes, based on the FEIS analysis, that:

- temporary construction impacts would be localized and would not result in disproportionate construction impacts to environmental justice communities.
- construction activities would be phased to minimize the duration of construction at any particular location so as to lessen the visual effects of construction on the surrounding communities.
- the Proposed Project would not result in significant adverse impacts to groundwater, the Nassau/Suffolk Aquifer or wetlands because LIRR will require the design-build contractor to prepare and implement a Stormwater Pollution Prevention Plan (SWPPP).
- construction of the Proposed Project would not result in significant adverse impacts to groundwater, the Nassau/Suffolk Aquifer System, or wetlands.
- construction of the Proposed Project would not result in significant adverse impacts to ecological communities, wildlife or any habitat that is of value to wildlife; and construction would follow existing MTA and LIRR operational safety and security programs and processes to provide the riding public and construction employees with a safe and secure environment.

In order to avoid potential temporary construction air quality impacts to the nearby community, LIRR is committed to implementing an air quality control plan during construction and would include the following measures: dust control, ultra-low sulfur diesel fuel, the use of best available tailpipe technologies such as diesel particulate filters, and the utilization of newer equipment.

LIRR finds that noise levels from construction activities along the Project Corridor, although temporary, could be a nuisance at nearby sensitive receptors like residences, schools, and other institutional land-uses. As noted, most construction activities are generally expected to last less than 2 years at any one location, depending on the type of activity. During this time frame,

increased noise and vibration levels are expected along the Project Corridor. A construction noise analysis is set forth in the FEIS at page 13-43 through 13-51 that identifies the potential temporary construction noise impacts that could result during the construction of the Proposed Project. LIRR's selected construction contractor will be required by contract to use noise control measures and Best Management Practices (BMPs) (such as substituting equipment with lower noise levels, temporary barriers, exhaust muffles, etc.) to minimize construction-related noise levels. For the Proposed Project, LIRR will require in its contract with the contractor that it meet the noise levels outlined in Table 13-8 of the FEIS, which vary by land use and the time period during which the construction occurs. The noise and vibration control measures that LIRR would require to minimize noise and vibration levels in the community are set forth in greater detail below.

The MTA and LIRR are exempt from the jurisdiction of municipalities pursuant to Section 1266(8) of the Public Authorities Law. However, to minimize the adverse effects of construction upon the surrounding community, the Proposed Project would nevertheless comply with the work hour restriction within residential areas, except where not feasible to accommodate work affecting rail operations, such as work relating to bridge replacement, construction of retaining walls, and grade alteration of track. In order to expedite construction to reduce road closures and diversions during the limited periods (6 to 9 months) of construction of the separations at five grade crossings, it is anticipated that work would take place outside specified local noise ordinance work hours. In cases where work is performed outside specified work hours in locations adjacent to residential neighborhoods, every effort will be made to keep intrusive noise to a minimum and the design-build contractor would be required by contract to meet strict performance standards detailed below. For any necessary night work, there would be extensive consultation with the community to minimize the effects of construction noise and vibration. LIRR is committed to implementing a community noise and vibration monitoring program, working with local schools and the affected communities and municipalities to schedule nearby construction activity as unobtrusively as practicable and feasible, and implementing a CPP to protect historic architectural resources from vibration impacts.

Nevertheless, in order to expedite the completion of the Proposed Project to minimize the length of disruption, LIRR finds that temporary noise impacts during construction, as detailed in Chapter 13 of the FEIS, would be unavoidable.

LIRR would mandate in its contract documents that the contractor implement the following measures to minimize and avoid potential significant adverse environmental impacts from construction:

COMMUNICATION WITH COMMUNITY

- Give advance notification of any disruptive work or work closures to residents, municipalities, school districts and first-responders.
- Provide regular updates to the public in the form of email blasts and online postings.
- Perform door-to-door outreach to residents in the affected areas.
- Staff the project office with on-site supervision for rapid response to neighborhood concerns.
- Maintain a 24/7 hotline assigned to a community outreach representative, to include direct communication with an on-site contractor/supervisor for real-time response.
- Create and implement protocol for addressing community complaints.

- Coordinate with local school districts to provide alternate transportation to schools where temporary or short-term road closures would either increase walking distance to schools or make on-foot travel to school problematic.
- Work with local schools to schedule nearby construction activity as unobtrusively as practicable and feasible.
- Coordinate with emergency service providers to ensure continuity of access to the community.
- Establish regular meetings for LIRR, community representatives, and the contractor to discuss construction activities and community concerns.

COMMUNITY SAFETY AND QUALITY OF LIFE

- Create an active program of construction security to ensure community safety.
- Ensure the following are performed by the Contractor at construction sites:
 - Keep construction sites clean and orderly.
 - Safely store construction materials in piles/not haphazardly.
 - Ensure that construction fences are uniform and neat in material and appearance (neatly clad chain-link fences in uniform green tennis mesh or printed mesh with approved enhancements, such as photos or artwork).
 - Entirely fence off all staging areas.
 - Prohibit littering and dispersion of personal debris (e.g., cups, cans, cigarettes) on construction site.
 - Provide covered trash receptacles that are emptied daily.
- Perform street cleaning as appropriate to ensure construction debris and dirt will not affect the local community.
- Install onsite/portable bathroom facilities that are unobtrusive to local communities.
- Protect access to existing businesses.
- Provide satellite parking for construction workers so as to keep personal construction worker vehicles off of residential streets.
- Use existing track to transport materials to and from the work sites to the extent practical.
- Schedule construction deliveries outside of school and commuter traffic peak hours to the extent practicable while school is in session.

ENVIRONMENTAL PERFORMANCE

- Provide environmental monitoring consistent with a Construction Health and Safety Plan (CHASP).
- Implement a Stormwater Pollution Prevention Plan (SWPPP).
- Establish a Quality Control program to confirm compliance with environmental requirements.
- Use directional lighting at night to protect residences from light pollution.
- Implement Work Zone Traffic Control plans.
- Implement an air quality control plan to include dust control measures, ultra-low sulfur diesel fuel, the use of best available tailpipe technologies such as diesel particulate filters, and the utilization of newer equipment.

- Conduct pre-construction home inspections.
- Create and implement a community noise and vibration monitoring program.
- Implement a Construction Protection Plan (CPP) to protect historic architectural resources within 100 feet of the construction activities for the Proposed Project.
- In consultation with the community, employ rodent control measures.
- Minimize noisy work during nighttime hours where practicable and feasible.

LIRR finds that, with the aforementioned measures in place, the construction of the Proposed Project would not result in significant adverse impacts during construction.

CUMULATIVE AND SECONDARY IMPACTS

The Proposed Project, taken in concert with other past, present, and reasonably foreseeable future action, would not result in significant adverse cumulative impacts, particularly because the intensity of its own adverse impacts would be minimal.

The additional parking provided by the Proposed Project would reduce a projected parking deficit within the Study Area associated with the East Side Access project. In the Future Without the Proposed Project, the same parking shortfalls would exist without any plans to reduce the deficit. Therefore, the Proposed Project would confer a cumulative net benefit in terms of parking.

In the Future Without the Proposed Project, increased rail activity associated with the East Side Access project would result in increased noise levels within the Study Area. Where increased noise levels would exist, sound attenuation walls would be constructed at grade or on top of retaining walls to eliminate the predicted noise impacts. Thus, the Proposed Project is providing a cumulative benefit by reducing both existing and projected future noise associated with cumulative impacts that are not connected with the Proposed Project.

The Study Area comprises a densely developed corridor largely characterized by downtowns and surrounding residential areas. That land use pattern is well established and would not be changed with the Proposed Project. Moreover, because the Proposed Project is an enhancement to existing transportation infrastructure serving a mature, mixed use community, it would not lead to induced growth. Considering these factors, LIRR finds that the Proposed Project would not lead to significant adverse secondary or cumulative impacts.

SAFETY AND SECURITY

The LIRR finds that the Proposed Project would not result in any significant adverse impacts to public safety and security. Rather, the completion of a continuous third track and the elimination of seven grade crossings would provide the opportunity for improvements to safety and security for the adjacent communities, LIRR customers, and workers. These benefits include:

- Reduction in the potential for conflicts between pedestrians, bicyclists, vehicles, and trains.
- Enhanced railroad operational flexibility and capacity in the event of a safety or security incident.
- Improvements and upgrading of station conditions to improve lighting and visibility.

ELECTROMAGNETIC FIELDS

Electromagnetic field (EMF) exposure levels from traction power may increase due to closer proximity to the public spaces; however, since EMF levels from railroad operations are not

considered hazardous to the public, increases in EMF levels at sensitive locations would not be significant.

The Proposed Project would also result in some LIRR electrical and PSEG-LI utility line relocations; however, EMF levels near relocated utility would be anticipated to be well below established exposure standards. Accordingly, LIRR finds that the Proposed Project would not result in any significant adverse impact from electromagnetic fields.

CLIMATE CHANGE / SUSTAINABILITY

GHG EMISSIONS

Improving the overall reliability, attractiveness, and convenience of mass transit is an important part of maintaining and increasing transit use into the future and reducing traffic congestion, and thus reducing region-wide GHG emissions. It is important to note in this context that region-wide emissions are not driven solely by the transportation mode choice. Transit use reduces emissions relative to private vehicle use, but also reduces congestion and thus indirectly reduces emissions further. Moreover, the availability of well-connected transit systems also affects land use such that more compact and transit-oriented development occurs, resulting in further efficiency in travel, services, utilities, and more. Therefore, as part of the larger region-wide transit system, improving the overall reliability, attractiveness, and convenience of the LIRR supports New York State's long term GHG emission reduction policies.

The Proposed Project would result in some additional GHG emissions associated with operating electric locomotives (indirect emissions from power generation), and would reduce some emissions associated with on-road vehicular emissions due to the shift of trips in the off-peak direction from on-road to LIRR, with some increased emissions associated with local park-and-ride and taxi trips to and from stations. There would also be direct emissions associated with construction vehicles and indirect emissions associated with the extraction, production, and delivery of materials.

Because the Proposed Project is a transit enhancement project, LIRR finds that the Proposed Project would be consistent with the State's GHG emissions reduction goals and policies and would not result in significant adverse climate change impacts.

ADAPTATION TO CLIMATE CHANGE

With respect to sea level rise, the Proposed Project is well above the current "100-year" and "500-year" flood elevations (the elevations which would potentially be inundated during a coastal storm of a magnitude with a 1-percent and 0.2-percent probability of occurring in any given year, respectively). Therefore, the Proposed Project area would not be flooded during such storm in the future either, when accounting for the highest projected sea level rise by the year 2100.

The FEIS notes that average and extreme temperatures are projected to increase, and extreme temperature events ("heatwaves") are likely to increase in the future as a result of climate change. LIRR finds that appropriate design of track and track infrastructure, as well as current maintenance and operational procedures for track buckling will address the future condition when heatwaves may be more frequent or intense.

Stormwater management practices for the Proposed Project have been designed for the current 100-year storm event. With the potential for substantial increases in the frequency and scale of

downpour events it is possible that these systems may not address the most extreme weather events. However, it would not be practicable to install stormwater management practices sized for these extreme downpours (greater than 100-year storm events) due to the space constraints of the ROW and the limitations presented by municipal and county stormwater management facilities.

Accordingly, LIRR finds that the Proposed Project would be designed to accommodate any reasonably foreseeable storm events that are likely to increase in frequency due to changes in climate, and would, therefore, be consistent with state and federal policies requiring climate change resiliency.

IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

Natural and man-made resources would be expended in the construction and operation of the Proposed Project. These natural resources include the use of land and energy. Man-made resources include the effort required to develop, construct, and operate the Proposed Project; building materials; financial funding; and motor vehicle use. These resources are considered irretrievably committed because it is highly unlikely that they would be used for some other purpose.

The use of land is the most basic of irretrievably committed resources, as the development of the Proposed Project requires the commitment of land for new physical elements such as parking lots. However, the Proposed Project is using land already used for urban development and transportation purposes and, as such, would not be further committing land resources.

The Proposed Project would result in irreversible clearing and grading of vegetation within the LIRR ROW, as well as modification to topography along the ROW and at grade crossings. The loss of vegetation is considered an irreversible commitment of resources as it is unlikely that replacement vegetation would be included in the ROW due to safety concerns. Soil, rock, and trees used to modify the grade of the ROW or grade crossings would be irretrievably committed for the lifetime of the Proposed Project. However, where feasible, replacement vegetation would be provided proximate to the ROW and in front of retaining and sound attenuation walls in order to partially offset this loss of vegetation.

The actual building materials used in the construction of the Proposed Project (wood, steel, concrete, glass, etc.) and energy, in the form of gas and electricity, consumed during the construction and operation of the Proposed Project would also be irretrievably committed to the Proposed Project.

None of these irreversible or irretrievable commitments of resources is considered significant.

UNAVOIDABLE ADVERSE IMPACTS

The Proposed Project would result in several unavoidable adverse impacts. While mitigation measures would be implemented where practical and feasible, unavoidable adverse impacts nonetheless would occur with respect to certain resources and conditions.

As discussed in Chapter 3, "Socioeconomic Conditions," the Proposed Project would require the acquisition of four complete parcels that would require the demolition of commercial structures, and the rededication of this land to transportation use. Nine partial acquisitions, or "strip takings," of commercial property would also be required for the Proposed Project. No residential

properties would be acquired. While the full parcel acquisitions would not result in any significant adverse impacts to land use or community character, the loss of the buildings themselves is considered an unavoidable adverse impact.

As set forth in Chapter 5, “Visual and Aesthetic Resources,” the Proposed Project would result in a change in the visual and aesthetic qualities of the communities through which the Main Line passes. New transportation structures, such as pedestrian overpasses and tiered parking structures, would be constructed and would be visible. Retaining walls supporting the third track and sound attenuation walls would also be visible. It would not be possible to screen visibility from all locations within the Project Corridor. Thus, visibility of project elements would be noticeable and potentially adverse. Visibility of these project elements from designated sensitive receptors was evaluated pursuant to NYSDEC methodology on assessing visual impacts. While none of the impacts were considered significant and adverse per NYSDEC policy, these changes may be considered unavoidable adverse impacts by some who observe them.

As described in Chapter 6, “Historic and Archaeological Resources,” two historic resources listed or eligible for listing on the State and National Register of Historic Places (S/NR) would be removed by the Proposed Project. Mitigation measures, as identified in a Letter of Resolution to be established with the New York State Historic Preservation Office (SHPO), would be implemented to minimize adverse effects, but impacts to or removal of these resources would be unavoidable.

As described in Chapter 7, “Natural Resources,” the Proposed Project would result in the unavoidable removal of vegetation within the LIRR ROW. Since the vegetation does not constitute significant habitat, its loss is not considered significant and adverse, but the loss of the vegetation itself is considered unavoidable. As noted, where feasible, replacement vegetation proximate to the LIRR ROW and in front of retaining and sound attenuation walls would be planted where feasible and practicable.

Most of the adverse impacts associated with the Proposed Project would occur in the construction, rather than the operational, phase, and are discussed in Chapter 13, “Construction Impacts.” Construction activities associated with the Proposed Project would result in temporary short-term impacts that, while not deemed significant, cannot be avoided. Construction of bridge replacement and grade crossing elements would require temporary lane closures and traffic diversions, resulting in temporary adverse impacts to vehicular and pedestrian traffic. Construction activities may result in temporary noise/vibration and air quality impacts to nearby sensitive receptors. Air quality impacts would chiefly be attributable to fugitive dust and diesel engine exhaust. Mitigation measures would be undertaken to control fugitive dust, such as spraying of water on exposed surfaces and covering any stockpiles, and use of newer equipment, diesel particulate filters, low-sulfur diesel fuel, and other emission control technologies would be implemented to reduce diesel engine exhaust, if feasible. Noise/vibration impacts would be mitigated to the extent possible by incorporation of control equipment and best practices.

The FEIS disclosed that the Proposed Project would result in environmental impacts to the natural and human environments, but that none of these impacts would be significant and adverse. In addition, the FEIS identified proposed measures to mitigate, to the extent practicable and feasible, the impacts related to implementation of the Proposed Project. The FEIS indicated that these mitigation measures would become contractual obligations on the part of the design-build contractor whom would be selected to construct the Proposed Project.

ALTERNATIVES

The New York State Environmental Quality Review Act (SEQRA) and its implementing regulations require the consideration of alternatives to the Proposed Project. Part 617.9(5)(v) of SEQRA regulations requires that a FEIS describe and evaluate “the range of reasonable alternatives to the action that are feasible, considering the objectives and capabilities of the project sponsor.” SEQRA also requires analysis of a “No Action” alternative, under which the Proposed Project would not be constructed. In addition to the No Action alternative and the Proposed Project, the FEIS also considered the following two alternatives:

- **Transportation System Management Alternative**—This alternative would include a combination of operational and equipment modifications (e.g., longer trains, extended platforms, bi-level trains, bus service and bus rapid transit, enhanced use of rail sidings, and a combination) in lieu of the Proposed Project.
- **Upgrade Switches and Signals Only Alternative**—This alternative would include upgrading of existing railroad switches and signals to improve rail operation efficiency. No third track would be installed, no station or platform improvements would be implemented, and no changes to the existing grade crossing configurations would be made.

A number of other alternatives to the Proposed Project were considered in the Alternatives Chapter of the FEIS (Chapter 18) but eliminated from further analysis or consideration because they were found to require a greater number of property acquisitions, including the acquisition of residential property, or were otherwise determined to be unreasonable. Those alternatives are (1) the prior Main Line Corridor Improvements Project alternative; (2) North Alignment Only alternative; (3) South Alignment Only alternative; and (4) Elevated New Hyde Park Segment alternative.

Several additional alternatives were suggested during the public Scoping period, including a “Grade Crossing Only Alternative” and an “Implement Other LIRR Capital Projects Only”. These alternatives were determined to not fulfill the purpose and need for the project, which includes the addition of a third track to enhance system reliability and enable intra-Island peak service at times when such service is currently not feasible due to lack of track capacity. Accordingly, they have not been included in this FEIS for further consideration. Based on consideration of all retained alternatives, only the Proposed Project and the Reconfigured Grade Crossings Alternative both met the project Purpose and Need and minimized cost while avoiding the need to acquire residential property. The potential impacts of these two alternatives are similar insofar as neither would result in any long-term significant adverse impacts.

SEQRA Findings

This Findings Statement sets forth LIRR’s conclusions with respect to the potential environmental impacts of the Proposed Project, based on the FEIS approved and filed by the Lead Agency on April 12, 2017. The facts, conclusions, and potential environmental impacts disclosed in the FEIS that form the basis for the agency’s findings and subsequent agency decisions include the Proposed Project’s purpose and need, the ability of the Proposed Project to satisfy that purpose and need, the Proposed Project’s potential to result in environmental impacts as set forth in the analysis contained in the FEIS and supported by the technical appendices to the FEIS, and consideration of public comments received with regard to the Scoping Document and the DEIS.

The Proposed Project would result in two direct environmental impacts that may be categorized as significant and adverse—the demolition of two historic architectural resources (the Nassau Tower and the former Mineola LIRR Electrical Substation), both of which are eligible for listing on the State/National Registers of Historic Places (S/NR-eligible). These two historic structures would be demolished and the site would be redeveloped with station area improvements. Measures to mitigate the adverse impact would be developed in consultation with OPRHP and set forth in a Letter of Resolution (LOR) to be executed among the involved parties

As noted above, significant adverse traffic impacts for the grade crossing configurations denoted as preferred in the FEIS and selected herein that could be generated by the Proposed Project in the 2020 analysis year would occur in the Village of New Hyde Park, the Village of Mineola, the Village of Westbury, and Hicksville. LIRR finds that those impacts could all be mitigated through the implementation of such methods as signal phasing and timing modifications, the installation of four new traffic signals (one in New Hyde Park, two in Mineola and one in Westbury), lane re-striping and intersection channelization modifications, and on-street parking prohibitions at select locations where additional traffic capacity is needed. Similar analyses were completed for the 2040 analysis year with similar results, albeit at a greater number of intersections given the growth in background traffic.

Overall, the Proposed Project would have a beneficial effect throughout the Project Corridor in terms of improved transit service, grade crossing safety, noise and vibration attenuation, and air quality improvement. Further the Proposed Project would meet the project purpose and need, as illustrated by the goals and objectives set forth above.

Based on the reasons and conclusions set forth in the FEIS and its related documents, the LIRR finds that the Proposed Project meets the project purpose and need and satisfies the Proposed Project's goals and objectives. The Proposed Project has been designed to and is expected to achieve these goals and objectives while minimizing the potential for adverse environmental impacts to the extent practicable and feasible.

None of the alternatives to the Proposed Project (No Action; Transportation System Management; Upgrade Switches and Signals Only) would meet the purpose and need of the Proposed Project while minimizing cost and avoiding the need to acquire residential property. Other alternatives considered and dismissed either would not meet the Proposed Project's goals and objectives, or would result in a much higher magnitude of adverse environmental impact.

Certification to Approve/Fund/Undertake

LIRR has considered the relevant environmental impacts, facts and conclusions disclosed in the FEIS and has weighed and balanced relevant environmental impacts with social, economic, and other considerations. Based on the foregoing, LIRR certifies that the requirements of 6 NYCRR Part 617 have been met and, consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the Proposed Project avoids or minimizes adverse environmental impacts to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures that were identified as practicable in the FEIS.

April 26, 2017

Long Island Rail Road

Signature of Responsible Official
Mark Hoffer
LIRR Vice President, General Counsel, and Secretary

For additional information, contact:

Edward Dumas, Vice President–Market Development & Public Affairs
MTA Long Island Rail Road, MC 1131
Jamaica Station Building
Jamaica, NY 11435

cc: all involved agencies

**METRO-NORTH/LONG ISLAND
RAILROAD
JOINT
INFORMATION
ITEMS**

APRIL 24, 2017

MTA HOMELESS OUTREACH

Long Island Rail Road

Metro-North Railroad

April 2017



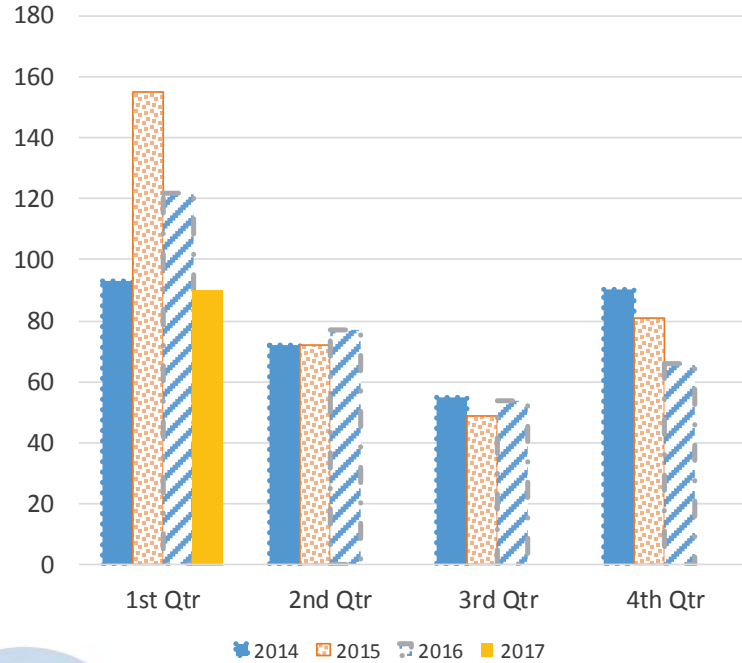
MTA HOMELESS OUTREACH

- Service Providers
 - Bowery Residents' Committee
 - LIRR & MNR property within NYC
 - MTA issued RFP for NYC Outreach
 - Services for the Underserved (SUS)
 - LIRR suburban property
 - MNR issuing RFP for suburban outreach
 - Updating Public Awareness Campaign
- Placements
 - Voluntary
 - Exception for those individuals who pose a danger to themselves or others
 - Partners
 - MTAPD
 - Amtrak

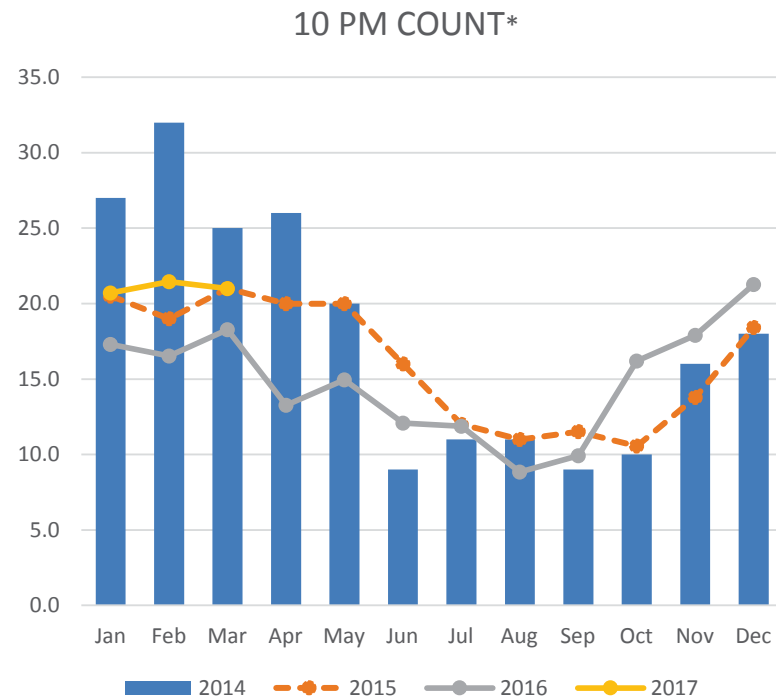


MTA HOMELESS OUTREACH

GCT Placements



GCT Homeless Counts

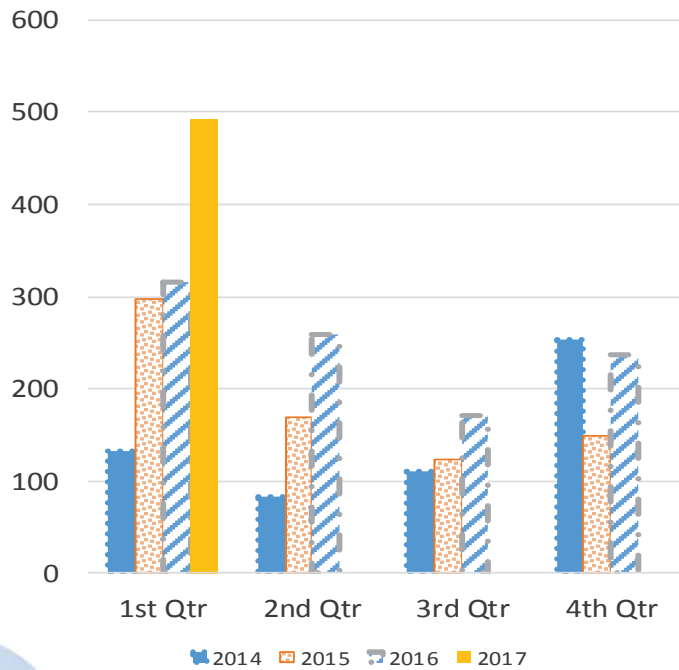


* Inside Terminal



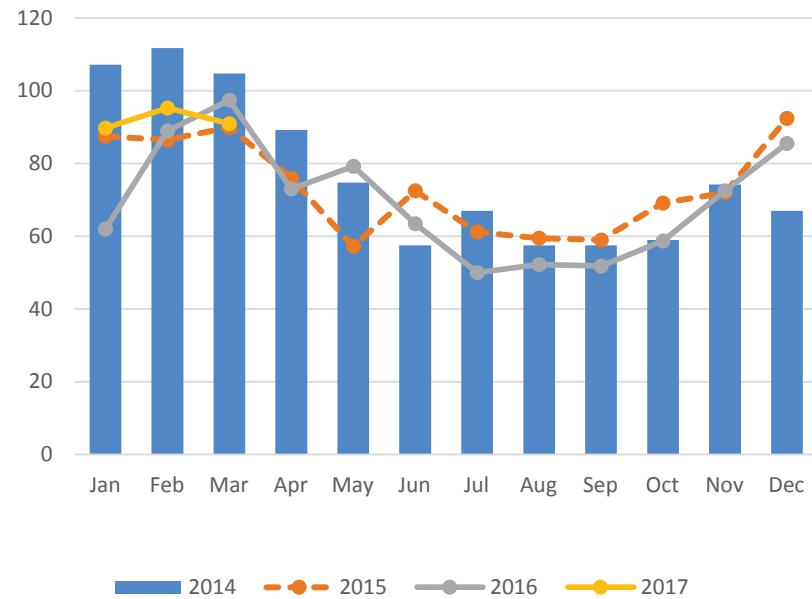
MTA HOMELESS OUTREACH

Penn Placements



Penn Homeless Counts

Average of Penn Initiative Weekly Counts*



*Penn Initiative includes Amtrak level, Subway areas & Street level

Metropolitan Transportation Authority





Metro-North Railroad

Information Items

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
SUMMARY**

Metro-North's overall financial results were favorable by 3 percent versus the 2016 Final Estimate with an Operating Deficit of \$741.3 million that was \$20.9 million lower than projected. On a cash basis, operating subsidy requirements were \$33.0 million lower than the Final Estimate.

Total Operating Revenue of \$754.5 million was \$3.8 million higher than the 2016 Final Estimate. Farebox Revenue of \$689.5 million was \$2.3 million (0.3%) higher reflecting the highest East-of-Hudson ridership in Metro-North's history partially offset by a small decrease in West of Hudson ridership. Also contributing to the revenue increase are Connecticut fare increases of 1.0 percent, implemented in January, and 6.0 percent, implemented in December. Other Operating Revenue of \$65.0 million was \$1.5 million higher than the Final Estimate.

Total Operating Expenses of \$1,495.8 million not only supported baseline service levels and maintenance programs, but also Metro-North's strategic plan, titled "Our People, Our Customers and Our Infrastructure" as well as the continuation of comprehensive "Infrastructure Improvement" and "Station Enhancement" programs.

Operating expenses were \$17.1 million (1%) below the Final Estimate. Underspensing occurred in both non-labor expenses (\$19.5 million) and labor costs (\$2.3 million), which were partially offset by higher net non-cash expense accruals for Depreciation, Other Post-Employment Benefits (OPEB) Obligation, GASB 68 Pension Adjustment and Environmental Remediation, totaling \$4.7 million.

Non-labor costs were favorable, reflecting mainly lower expenses for Maintenance Contracts (\$12.8 million) and Professional Services (\$8.3 million) primarily as a result of schedule changes. Partially offsetting these results were higher materials and supplies expense (\$4.8 million) for rolling stock parts and supplies used for reliability centered maintenance programs. Labor costs for the year were \$2.3 million below the Final Estimate, reflecting lower costs for Health and Welfare due to lower rates and an adjustment to prior period premiums for employee eligibility status changes, lower overtime costs due primarily to fewer weather events, and lower pension expense due to a recent actuarial update. These were partially offset by higher payroll expense due to an increase in the reserve for unused vacation and sick time as well as the rescheduling of capital projects, which caused the reallocation of reimbursable forces to operations.

Reimbursable revenues (and expenditures) totaling \$199.5 million were \$15.1 million lower than the 2016 Final Estimate primarily due to revised scope estimates and delays in several major initiatives that drove spending below expectations for Materials & Supplies and Maintenance & Other Operating Contracts. This resulted in lower labor and non-labor expenditures of \$3.6 million and \$11.5 million, respectively.

The net cash deficit for the year of \$509.9 million was \$33.0 million lower than 2016 Final Estimate. Cash receipts totaling \$1,018.5 million were \$1.9 million lower than the Final Estimate. This was primarily due to \$24.2 million in unfavorable “timing” variances primarily resulting from a delay in the receipt of reimbursements from FMTAC for claims pertaining to the December 2013 Spuyten Duyvil incident combined with the delay in receipts for nearly completed capital project work of \$18.1 million. This unfavorable “timing” variance is partially offset by a “real” favorable variance of \$40.4 million, which represents receipts from the MTA for prior year reimbursable project work.

Cash disbursements of \$1,528.4 million were \$34.9 million lower than the 2016 Final Estimate, of which \$65.3 million represents a favorable “timing” difference and \$30.3 million represents an unfavorable “real” difference. The “timing” difference includes delayed payout of an estimated \$28.5 million in claims associated with the Spuyten Duyvil accident and capital spend for Maintenance and Other Operating Contracts of \$26.1 million and Materials and Supplies of \$10.2 million. The \$30.3 million unfavorable “real” variance reflects increased usage and purchases of Materials and Supplies of \$21.3 million. Other contributing categories were Other Fringe Benefits of \$15.0 million due to higher employee claims and Professional Service Contracts of \$5.4 million partially offset by lower Maintenance and Other Operating Contracts of \$4.0 million, Overtime of \$5.8 million, and Other Business Expenses of \$1.5 million.

The cash deficit was funded by operating subsidies of \$498.3 million (MTA share \$364.1 million; CDOT share \$134.2 million) that was combined with a \$12.9 million increase in available cash balances.

Detailed explanations for differences between actual results and both the 2016 Final Estimate and 2016 Adopted Budget are included in the following pages. As always, Metro-North will continue to closely monitor its financial performance and resource requirements and will make appropriate forecast adjustments going forward.

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
DETAILED EXPLANATIONS OF REVENUE AND EXPENSES VARIANCES
BY GENERIC CATEGORY – ACCRUAL BASIS**

2016 ACTUALS VS FINAL ESTIMATE

NON-REIMBURSABLE

Total Revenue of \$754.5 million was \$3.8 million higher than the Final Estimate. **Farebox Revenue** of \$689.5 million was \$2.3 million higher than the Final Estimate primarily reflecting higher non-commutation ridership growth. **Operating Revenue** was \$1.5 million higher than the Final Estimate reflecting higher net GCT revenue.

Total Expenses, including non-cash expenses for Depreciation, OPEB Obligation, GASB 68 Pension Adjustment and Environmental Remediation, were \$1,495.8 million or \$17.1 million lower than the Final Estimate.

Payroll expenses were \$11.1 million higher than the Final Estimate due to an increase in the reserve for unused vacation and sick time as well as the rescheduling of capital projects, which caused the reallocation of forces to operations. **Overtime** costs were \$3.5 million lower than projected due to fewer winter weather events and increased staff availability for train service due to a high number of graduated Conductor and Engineer classes partially offset by accelerated infrastructure maintenance work caused by favorable weather conditions. **Health and Welfare costs** (including OPEB Current Payments) were \$6.9 million favorable due to lower rates and an adjustment to prior period premiums for employee eligibility status changes. **Pensions** were \$2.3 million lower than the Final Estimate due to lower rates. **Other Fringe Benefit** expenses including payroll taxes were \$3.1 million higher than the Final Estimate due primarily to increased employee claims. **Reimbursable Overhead** cost recoveries were \$3.8 million higher than the Final Estimate due to a forecast rate adjustment.

Electric Power and **Fuel** expenses were lower than the Final Estimate by \$2.5 million and \$0.4 million, respectively, due to slightly lower rates. **Insurance** expense was \$0.7 million lower than the Final Estimate due primarily to lower premiums. **Claims** exceeded the Final Estimate by \$1.8 million due to higher passenger and West of Hudson employee claims. **Maintenance and Other Operating Contracts** were \$12.8 million lower than the Final Estimate primarily due to the timing of M-8 repairs, lower expenditures for GCT utilities and reduced maintenance services. **Professional Services** were \$8.3 million below the Final Estimate due to lower expenses for engineering and consulting services, lower IT and BSC services costs, and timing of outside training, market share studies, legal fees and advertising services. **Materials & Supplies** were \$4.8 million higher than the Final Estimate due primarily to higher expenses for rolling stock parts and supplies related to the component change-out shops, support shop work and on-going repairs. **Other Business Expenses** were \$1.4 million lower than the Final Estimate due to lower subsidy payments to New Jersey Transit for West of Hudson operations, non-capital equipment purchases and printing supplies. **Depreciation** expense was \$4.8 million higher than the Final Estimate due to

the changes in Metro-North's capital assets. **OPEB Obligation** was \$11.2 million lower than the Final Estimate due to revised actuarial guidance. **GASB 68 Pension Adjustment** was \$11.2 million higher than the Final Estimate also due to revised actuarial guidance. **Environmental Remediation** expense was essentially flat to the Final Estimate.

REIMBURSABLE

Capital Program expenses (and reimbursements) of \$199.5 million were \$15.1 million lower than the Final Estimate of \$214.6 million. Labor expenses (including fringes and overhead) totaling \$142.1 million were \$3.6 million lower than the Final Estimate due to lower activity for the new Cyclical Track Program and all Turnouts Mainline High Speed Programs. Non-Labor expenditures of \$57.4 million were \$11.5 million lower than the Final Estimate due to lower activity in the Turnouts Mainline High Speed, the Network Infrastructure Replacement Project, the Cyclical Track Program and the Greenwich to South Norwalk Signal Replacement Project.

2016 ACTUALS vs. ADOPTED BUDGET

NON-REIMBURSABLE

Total Revenue of \$754.5 million was \$0.9 million higher than the Adopted Budget. **Farebox Revenue** of \$689.5 million was \$3.8 million lower than the Adopted Budget reflecting lower ridership growth than projected predominately for non-commutation riders. Other Operating Revenue of \$65.0 million was \$4.6 million higher than the Adopted Budget resulting primarily from higher net GCT retail revenue.

Total Expenses of \$1,495.8 million were \$65.6 million lower than the Adopted Budget. This is driven primarily by lower energy costs, lower expenditures for maintenance, scheduling changes generating lower Professional Services costs, lower overtime expense, reduced Health and Welfare costs due to lower rates, lower OPEB Obligations and GASB 68 Pension Adjustment. These decreases were partially offset by higher labor expense primarily related to the re-timing of reimbursable allocations to capital projects, increased materials and supplies expense, and increased claims costs.

Payroll expenses were \$19.3 million higher than the Adopted Budget due to an increase in the reserve for unused vacation and sick time as well as the rescheduling of capital projects causing the reallocation of forces to operations. **Overtime** costs were \$8.1 million lower than the Adopted Budget, reflecting improved employee availability for train service coverage and fewer weather events. **Health and Welfare** (including OPEB current payments) was \$6.3 million lower than the Adopted Budget, reflecting lower rates. **Pension** expenses were \$0.2 lower than the Adopted Budget, reflecting revised actuarial guidance. **Other Fringe Benefits** were \$1.8 million higher than the Adopted Budget, reflecting increased employee claims. **Reimbursable Overhead** cost recoveries were \$2.3 million less than the Adopted Budget due to a one-time Overhead rate adjustment.

Electric Power and **Fuel** expenses were \$20.4 million and \$6.8 million lower, respectively, than the Adopted Budget due primarily to lower rates. **Insurance** expenses were \$1.8 million lower than the Adopted Budget reflecting lower premiums.

Accrued **Claims** expenses were \$4.3 million higher than the Adopted Budget due to higher passenger and West of Hudson employee claims. **Maintenance and Other Operating Contracts** expenses were \$23.9 million under the Adopted Budget primarily due to lower expenditures for track maintenance services, locomotive overhauls, M-7 Systems Replacement Project, and GCT utilities, timing of contracted repairs for M-8 cars damaged in the Bridgeport derailment, and the reclassification of several projects to operating capital. **Professional Services** were \$11.0 million lower than the Adopted Budget due to lower expenses for engineering and consulting services, lower expenses for IT and BSC services, and timing of outside training, market share studies, legal fees and advertising services. **Materials & Supplies** were \$9.5 million higher than the Adopted Budget due to bringing the P-32 Locomotive overhauls in-house and increases in the obsolescence program partially offset by lower spending on the Third Rail Power System Project. **Other Business Expenses** were \$3.3 million lower than the Adopted Budget due to lower subsidy payments to New Jersey Transit for West of Hudson operations partially offset by higher credit card fees. **Depreciation** expense was \$2.0 million higher than the Adopted Budget due to the changes in Metro-North's capital assets. **OPEB Obligation** was \$11.2 million lower than the Adopted Budget due to revised actuarial guidance. **GASB 68 Pension Adjustment** expense was \$10.5 million lower also due to revised actuarial guidance. **Environmental Remediation** expenses were lower by \$1.3 million reflecting fewer projects requiring remediation.

REIMBURSABLE

Capital Program expenditures and reimbursements, totaling \$199.5 million were \$50.4 million lower than the Adopted Budget. Labor expenses, including fringe and overhead were \$4.4 million lower than the Adopted Budget primarily due to revised assumptions associated with Cyclical Track, the Turnouts Mainline High Speed and Power Infrastructure Replacement Programs. Non-Payroll expenditures were \$46.0 million lower than the Adopted Budget, reflecting underspending primarily in Materials & Supplies of \$41.2 million due to lower activity for the Network Infrastructure Replacement, and the current Turnouts Mainline High Speed and the Bronx Station Capacity Improvements projects. In Professional Services, a \$14.1 million reduction was due to favorable expenses for the Signal Replacement from Greenwich to South Norwalk project. These reductions were mitigated by increased expenses of \$7.7 million for Maintenance & Other Operating Contracts due to the Cyclical Track Program, MNR East Side Access, the Drainage and Undercutting project, Devin Substation Replacement, CT Track Program, New Haven Line Grade Crossing Renewal, and Cameras and Audio for the M-8 Fleet in Connecticut. Also mitigating these reductions were higher Insurance expenses of \$1.3 million.

MTA METRO NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE vs. FINAL (DRAFT) ACTUAL
DECEMBER YEAR-TO-DATE
(\$ in millions)

SCHEDULE I-A

NON-REIMBURSABLE

	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$693.277	\$687.186	\$689.511	(\$3.766)	(0.5)	\$2.325	0.3
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	60.341	63.475	64.984	4.643	7.7	1.509	2.4
MTA	0.000	0.000	0.000	0.000	-	0.000	-
CDOT	0.000	0.000	0.000	0.000	-	0.000	-
Other	0.000	0.000	0.000	0.000	-	0.000	-
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
Total Revenue	\$753.618	\$750.661	\$754.495	\$0.877	0.1	\$3.834	0.5
Expenses							
Labor:							
Payroll	\$476.464	\$484.593	\$495.722	(\$19.259)	(4.0)	(\$11.129)	(2.3)
Overtime	98.451	93.870	90.333	8.118	8.2	3.537	3.8
Health and Welfare	107.051	104.403	97.965	9.087	8.5	6.438	6.2
OPEB Current Payment	27.282	30.500	30.061	(2.779)	(10.2)	0.439	1.4
Pensions	91.904	94.070	91.747	0.157	0.2	2.324	2.5
Other Fringe Benefits	117.375	116.116	119.204	(1.829)	(1.6)	(3.088)	(2.7)
GASB Account				0.000	-	0.000	-
Reimbursable Overhead	(51.169)	(45.071)	(48.843)	(2.326)	(4.5)	3.771	8.4
Total Labor Expenses	\$867.358	\$878.480	\$876.189	(\$8.831)	(1.0)	\$2.291	0.3
Non-Labor:							
Electric Power	\$82.288	\$64.402	\$61.865	\$20.422	24.8	\$2.536	3.9
Fuel	21.229	14.811	14.447	6.782	31.9	0.364	2.5
Insurance	20.015	18.998	18.258	1.757	8.8	0.740	3.9
Claims	1.000	3.472	5.289	(4.289)	*	(1.817)	(52.3)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	127.374	116.274	103.427	23.947	18.8	12.847	11.0
Professional Service Contracts	40.075	37.313	29.061	11.014	27.5	8.252	22.1
Materials & Supplies	78.869	83.580	88.370	(9.501)	(12.0)	(4.790)	(5.7)
Other Business Expenses	15.754	13.874	12.487	3.267	20.7	1.387	10.0
Total Non-Labor Expenses	\$386.603	\$352.723	\$333.204	\$53.400	13.8	\$19.520	5.5
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses before Depreciation and GASB Adjs.	\$1,253.961	\$1,231.204	\$1,209.393	\$44.569	3.6	\$21.811	1.8
Depreciation	\$234.092	\$231.305	\$236.091	(\$1.999)	(0.9)	(\$4.786)	(2.1)
OPEB Obligation	68.316	68.316	57.086	11.231	16.4	11.231	16.4
GASB68 Pension Adjustment	0.000	(21.688)	(10.497)	10.497	-	(11.192)	(51.6)
Environmental Remediation	5.000	3.708	3.694	1.306	26.1	0.014	0.4
Total Expenses	\$1,561.370	\$1,512.844	\$1,495.767	\$65.603	4.2	\$17.078	1.1
Net Surplus/(Deficit)	(\$807.751)	(\$762.184)	(\$741.272)	\$66.479	8.2	\$20.912	2.7
Cash Conversion Adjustments:							
Depreciation	\$234.092	\$231.305	\$236.091	\$1.999	0.9	\$4.786	2.1
Operating/Capital	(48.011)	(41.583)	(39.286)	8.725	18.2	2.297	5.5
Other Cash Adjustments	54.431	29.492	34.538	(19.893)	(36.5)	5.045	17.1
Total Cash Conversion Adjustments	\$240.511	\$219.214	\$231.343	(\$9.168)	(3.8)	\$12.129	5.5
Net Cash Surplus/(Deficit)	(\$567.240)	(\$542.970)	(\$509.929)	\$57.311	10.1	\$33.041	6.1

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE vs. FINAL (DRAFT) ACTUAL
DECEMBER YEAR-TO-DATE
(\$ in millions)

SCHEDULE I-B

REIMBURSABLE

	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	0.000	0.000	0.000	0.000	-	0.000	-
MTA	147.643	102.250	88.714	(58.929)	(39.9)	(13.536)	(13.2)
CDOT	85.886	87.028	86.567	0.681	0.8	(0.461)	(0.5)
Other	16.384	25.327	24.220	7.835	47.8	(1.107)	(4.4)
Capital and Other Reimbursements	249.913	214.605	199.501	(50.412)	(20.2)	(15.104)	(7.0)
Total Revenue	\$249.913	\$214.605	\$199.501	(\$50.412)	(20.2)	(\$15.104)	(7.0)
Expenses							
<u>Labor:</u>							
Payroll	\$44.179	\$42.409	\$39.743	\$4.436	10.0	\$2.666	6.3
Overtime	18.498	24.610	23.337	(4.839)	(26.2)	1.274	5.2
Health and Welfare	14.347	14.658	13.640	0.707	4.9	1.018	6.9
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-
Pensions	9.439	9.751	9.139	0.300	3.2	0.612	6.3
Other Fringe Benefits	10.977	11.254	10.610	0.366	3.3	0.644	5.7
GASB Account				0.000	-	0.000	-
Reimbursable Overhead	49.053	43.012	45.662	3.392	6.9	(2.649)	(6.2)
Total Labor Expenses	\$146.493	\$145.695	\$142.130	\$4.363	3.0	\$3.564	2.4
<u>Non-Labor:</u>							
Electric Power	\$0.000	\$0.059	\$0.131	(\$0.131)	-	(\$0.072)	*
Fuel	0.000	0.000	0.000	\$0.000	-	\$0.000	-
Insurance	3.481	4.206	4.793	(1.312)	(37.7)	(0.587)	(14.0)
Claims	0.000	0.000	0.000	0.000	-	0.000	-
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	10.803	22.335	18.521	(7.718)	(71.4)	3.814	17.1
Professional Service Contracts	28.070	12.204	13.943	14.127	50.3	(1.739)	(14.3)
Materials & Supplies	60.630	26.645	19.396	41.234	68.0	7.249	27.2
Other Business Expenses	0.437	3.462	0.587	(0.151)	(34.5)	2.875	83.0
Total Non-Labor Expenses	\$103.420	\$68.910	\$57.371	\$46.049	44.5	\$11.539	16.7
<u>Other Expense Adjustments:</u>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses before Depreciation	\$249.913	\$214.604	\$199.501	\$50.412	20.2	\$15.103	7.0
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
OPEB Obligation	0.000	0.000	0.000	0.000	-	0.000	-
GASB68 Pension Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
Total Expenses	\$249.913	\$214.604	\$199.501	\$50.412	20.2	\$15.103	7.0
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	-	(\$0.000)	(100.0)
Cash Conversion Adjustments:							
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Operating/Capital	0.000	0.000	0.000	0.000	-	0.000	-
Other Cash Adjustments	0.000	0.000	0.000	0.000	-	0.000	-
Total Cash Conversion Adjustments	0.000	0.000	0.000	\$0.000	-	\$0.000	-
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE vs. FINAL (DRAFT) ACTUAL
DECEMBER YEAR-TO-DATE
(\$ in millions)

SCHEDULE I-C

NON-REIMBURSABLE/ REIMBURSABLE	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$693.277	\$687.186	\$689.511	(\$3.766)	(0.5)	\$2.325	0.3
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	60.341	63.475	64.984	4.643	7.7	1.509	2.4
MTA	147.643	102.250	88.714	(58.929)	(39.9)	(13.536)	(13.2)
CDOT	85.886	87.028	86.567	0.681	0.8	(0.461)	(0.5)
Other	16.384	25.327	24.220	7.835	47.8	(1.107)	(4.4)
Capital and Other Reimbursements	249.913	214.605	199.501	(50.412)	(20.2)	(15.104)	(7.0)
Total Revenue	\$1,003.532	\$965.265	\$953.996	(\$49.536)	(4.9)	(\$11.270)	(1.2)
Expenses							
<u>Labor:</u>							
Payroll	\$520.643	\$527.001	\$535.465	(\$14.822)	(2.8)	(\$8.464)	(1.6)
Overtime	116.949	118.480	113.670	3.279	2.8	4.811	4.1
Health and Welfare	121.398	119.060	111.604	9.794	8.1	7.456	6.3
OPEB Current Payment	27.282	30.500	30.061	(2.779)	(10.2)	0.439	1.4
Pensions	101.343	103.822	100.886	0.457	0.5	2.936	2.8
Other Fringe Benefits	128.352	127.370	129.815	(1.463)	(1.1)	(2.444)	(1.9)
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	(2.115)	(2.059)	(3.181)	1.066	50.4	1.122	54.5
Total Labor Expenses	\$1,013.851	\$1,024.175	\$1,018.320	(\$4.469)	(0.4)	\$5.855	0.6
<u>Non-Labor:</u>							
Electric Power	\$82.288	\$64.460	\$61.996	\$20.292	24.7	\$2.464	3.8
Fuel	\$21.229	\$14.811	\$14.447	\$6.782	31.9	\$0.364	2.5
Insurance	23.496	23.204	23.051	0.445	1.9	0.152	0.7
Claims	1.000	3.472	5.289	(4.289)	*	(1.817)	(52.3)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	138.177	138.609	121.948	16.229	11.7	16.661	12.0
Professional Service Contracts	68.144	49.516	43.003	25.141	36.9	6.513	13.2
Materials & Supplies	139.499	110.225	107.766	31.733	22.7	2.459	2.2
Other Business Expenses	16.190	17.336	13.074	3.117	19.2	4.262	24.6
Total Non-Labor Expenses	\$490.024	\$421.633	\$390.574	\$99.449	20.3	\$31.059	7.4
<u>Other Expense Adjustments:</u>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses before Depreciation and GASB Adjs.	\$1,503.875	\$1,445.808	\$1,408.894	\$94.981	6.3	\$36.914	2.6
Depreciation	\$234.092	\$231.305	\$236.091	(\$1.999)	(0.9)	(\$4.786)	(2.1)
OPEB Obligation	68.316	68.316	57.086	11.231	16.4	11.231	16.4
GASB68 Pension Adjustment	0.000	(21.688)	(10.497)	10.497	-	(11.192)	(51.6)
Environmental Remediation	5.000	3.708	3.694	1.306	26.1	0.014	0.4
Total Expenses	\$1,811.283	\$1,727.449	\$1,695.268	\$116.015	6.4	\$32.181	1.9
Net Surplus/(Deficit)	(\$807.751)	(\$762.183)	(\$741.272)	\$66.479	8.2	\$20.911	2.7
Cash Conversion Adjustments:							
Depreciation	\$234.092	\$231.305	\$236.091	\$1.999	0.9	\$4.786	2.1
Operating/Capital	(48.011)	(41.583)	(39.286)	8.725	18.2	2.297	5.5
Other Cash Adjustments	54.431	29.492	34.538	(19.893)	(36.5)	5.045	17.1
Total Cash Conversion Adjustments	240.511	219.214	231.343	(\$9.168)	(3.8)	\$12.129	5.5
Net Cash Surplus/(Deficit)	(\$567.240)	(\$542.970)	(\$509.929)	\$57.311	10.1	\$33.041	6.1

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment.
-- Differences are due to rounding.
* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
DETAILED EXPLANATIONS OF CASH RECEIPT AND EXPENDITURE
VARIANCES BY GENERIC CATEGORY
2016 ACTUALS vs. FINAL ESTIMATE**

RECEIPTS

Cash receipts totaling \$1,018.5 million were \$1.9 million lower than the Final Estimate. This is due to a “real” favorable variance of \$40.4 million primarily representing receipts from prior year reimbursable project work. This is partially offset by \$24.2 million in unfavorable “timing” variances resulting mainly from a delay in the receipt of reimbursements from a myriad of sources, including claims pertaining to the Spuyten Duyvil incident.

EXPENDITURES

Cash disbursements of \$1,528.4 million were \$34.9 million lower than the Final Estimate, of which \$65.3 million represents a favorable “timing” difference and \$30.3 million represents an unfavorable “real” difference. The timing difference includes delayed spending of \$28.5 million on anticipated claims for Spuyten Duyvil and other passenger claims, capital spend for Maintenance and Other Operating Contracts of \$26.1 million, Materials and Supplies of \$10.2 million, Other Business Expenses of \$8.3 million and payments of liability insurance premiums of \$2.1 million. These were partially offset by the timing of Health and Welfare expenses of \$11.0 million. The \$30.3 million unfavorable “real” variance consists of increased usage and purchases of Materials and Supplies of \$21.3 million, Other Fringe expense due to employee claims of \$15.0 million and Professional Service Contracts of \$5.4 million partially offset by lower Maintenance and Other Operating Contracts of \$4.0 million, Overtime of \$5.8 million and Other Business Expenses of \$1.5 million.

Payroll expenditures were \$4.5 million higher than the Final Estimate reflecting a “real” difference reflecting inter-agency payments of \$3.0 million and holiday pay for agreement staff of \$1.5 million. Expenditures for **Overtime** were \$5.8 million lower than the Final Estimate, reflecting a “real” difference caused by lower overtime requirements. **Health & Welfare** expenditures (including OPEB Current Payment and OPEB Obligations) were \$10.9 million higher than the Final Estimate, representing a “timing” difference due to a prepayment of health insurance premiums in 2016 of \$11.0 million. **Pension** payments were \$2.0 million favorable to the Final Estimate due to lower rates. Expenditures for **Other Fringe Benefits** were \$15.0 million higher than the Final Estimate due to a “real” variance driven by higher employee claims.

Electric Power expenses were higher than the Final Estimate by \$1.0 million, reflecting an unfavorable “timing” difference of \$1.5 million partially offset by a “real” favorable difference of \$0.5 million. **Fuel** expenses were lower than the Final Estimate by \$1.2 million due to lower rates and the timing of payments. Expenditures for **Insurance** were \$3.4 million lower than the Final Estimate due to the “timing” of premium payments for All Agency Property of \$2.1 million combined with a “real” variance of \$1.4 million for

All-Agency Catastrophic Bond. **Claims** were \$28.5 million lower than the Final Estimate due to the “timing” of payments for passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims. **Maintenance and Other Operating Contracts** expenditures were \$30.1 million lower than the Final Estimate reflecting a “timing” difference of \$26.1 million, which represents lower spending for capital construction projects of \$22.2 million and delays of New Haven Line (NHL) derailment repairs of \$3.7 million and M-7 Systems Equipment Replacement of \$0.3 million. This was combined with a “real” variance of \$4.0 million that included lower GCT Utilities of \$3.6 million. **Professional Services** were \$3.4 million higher than the Final Estimate, reflecting a “real” unfavorable difference of \$5.4 million due to a higher spend on the CDOT share for the PTC Systems Integrator Contract partially offset by a “timing” difference of \$2.0 million representing lower expenditures for capital projects. **Materials and Supplies** were \$11.1 million higher than the Final Estimate due to a “real” difference of \$21.3 million representing payments for rolling stock and associated materials partially offset by a “timing” difference of \$10.2 million for capital construction projects. **Other Business Expenses** were \$9.8 million lower than the Final Estimate due primarily to the “timing” of \$8.3 million in capital expenses and a “real” variance of \$1.5 million in West of Hudson operating subsidy payments to New Jersey Transit.

The cash receipts and disbursements activity noted above resulted in a net cash deficit of \$509.9 million, which is \$33.0 million lower than the Final Estimate. Cash subsidies of \$498.3 million and use of available cash balances of \$12.9 million were drawn to fund this deficit. Cash subsidy requirements were \$44.6 million lower than the Final Estimate (MTA share \$364.1 million; CDOT share \$134.2 million).

2016 ACTUALS vs. ADOPTED BUDGET

RECEIPTS

Cash receipts of \$1,018.5 million were \$79.6 million lower than the Adopted Budget. Farebox Revenue was \$6.0 million lower than the Adopted Budget reflecting the impact of slower than expected ridership growth. Other Operating Revenue was \$56.3 million lower than the Adopted Budget due to the non-receipt of claims reimbursement from FMTAC of \$40.4 million combined with lower recoveries from the Passenger Rail Investment and Improvement Act (PRIIA) of \$22.4 million partially offset by a one-time retroactive real estate tax rebate related to the Graybar Building of \$7.3 million and higher GCT Revenue of \$0.8 million.

Capital and Other Reimbursements were \$17.2 million lower than the Adopted Budget reflecting scheduling changes in capital projects, most notably Network Infrastructure Replace and 2016 Cyclical Track Program.

EXPENDITURES

Total expenditures of \$1,528.4 million were \$136.9 million lower than the Adopted Budget.

Payroll expenditures were \$2.3 million higher than the Adopted Budget primarily due to inter-agency payments and holiday pay for agreement staff. Expenditures for **Overtime**

were \$3.4 million lower than the Adopted Budget due to lower overtime requirements. **Health & Welfare** (including OPEB current payments) expenditures were \$11.9 million higher than the Adopted Budget due to a prepayment of 2017 health insurance premiums of \$11.0 million. **Pension** payments were basically flat to the Adopted Budget. Expenditures for **Other Fringe Benefits** were \$13.5 million higher than the Adopted Budget reflecting higher employee injury claim settlements relating to the Spuyten Duyvil and Bridgeport incidents paid in 2016.

Electric Power expenditures were \$18.4 million lower than the Adopted Budget due to lower than projected rates of \$20.4 million partially offset by timing of payments of \$2.0 million. **Fuel** costs were \$7.2 million lower than the Adopted Budget primarily due to lower diesel fuel rates of \$6.8 million and timing of payments of \$0.4 million. **Insurance** expenditures were \$3.9 million lower than the Adopted Budget primarily due to the timing of premium payments. **Claims** payments were \$40.5 million lower than the Adopted Budget due to the timing of injury settlement payments for the Spuyten Duyvil and Bridgeport derailment incidents. **Maintenance and Other Operating Contracts** were \$20.8 million lower than the Adopted Budget reflecting lower costs primarily relating to Maintenance & Repairs of \$15.6 million and Real Estate Rentals \$5.4 million. **Professional Services** contracts were \$20.5 million lower than the Adopted Budget due to timing differences of capital project activity, most notably the Signal Replacement from Greenwich to South Norwalk of \$15.0 million and Camera/Audio for Fleet of \$5.5 million. **Materials and Supplies** were \$26.4 million lower than the Adopted Budget driven mostly by revised assumptions of 2016 capital project activity. **Other Business Expenses** were \$23.3 million lower than the Adopted Budget, primarily due to the reclassification of PRIAA reimbursements of \$11.0 million, lower New Jersey Transit Subsidy of \$4.6 million and Operating Capital Projects of \$2.4 million.

The cash receipts and disbursement activity noted above resulted in a net cash deficit of \$509.9 million that was \$57.3 million lower than the Adopted Budget.

MTA METRO NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE vs. FINAL (DRAFT) ACTUAL
CASH RECEIPTS AND EXPENDITURES
DECEMBER YEAR-TO-DATE
(\$ in millions)

SCHEDULE III

	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$698.155	\$691.067	\$692.126	(\$6.029)	(0.9)	\$1.059	0.2
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	142.657	111.943	86.320	(56.337)	(39.5)	(25.623)	(22.9)
MTA	153.786	105.021	129.733	(24.053)	(15.6)	24.712	23.5
CDOT	85.886	87.028	84.763	(1.123)	(1.3)	(2.265)	(2.6)
Other	17.618	25.327	25.567	7.949	45.1	0.240	0.9
Capital & Other Reimbursements	257.290	217.376	240.063	(17.227)	(6.7)	22.687	10.4
Total Receipts	\$1,098.102	\$1,020.386	\$1,018.509	(\$79.593)	(7.2)	(\$1.877)	(0.2)
Expenditures							
<u>Labor:</u>							
Payroll	\$531.485	\$529.251	\$533.765	(\$2.280)	(0.4)	(\$4.514)	(0.9)
Overtime	116.651	119.012	113.262	3.389	2.9	5.750	4.8
Health and Welfare	125.144	122.916	133.939	(8.795)	(7.0)	(11.023)	(9.0)
OPEB Current Payment	27.282	30.501	30.424	(3.142)	(11.5)	0.077	0.3
Pensions	102.525	104.317	102.271	0.254	0.2	2.046	2.0
Other Fringe Benefits	129.421	127.940	142.897	(13.476)	(10.4)	(14.957)	(11.7)
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.000	0.026	(0.000)	0.000	-	0.026	*
Total Labor	\$1,032.508	\$1,033.961	\$1,056.558	(\$24.050)	(2.3)	(\$22.597)	(2.2)
<u>Non-Labor:</u>							
Electric Power	\$83.859	\$64.461	\$65.458	\$18.401	21.9	(\$0.997)	(1.5)
Fuel	20.349	14.372	13.189	7.160	35.2	1.183	8.2
Insurance	23.914	23.483	20.057	3.857	16.1	3.426	14.6
Claims	56.473	44.425	15.947	40.526	71.8	28.478	64.1
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	156.192	165.487	135.381	20.811	13.3	30.106	18.2
Professional Service Contracts	78.873	54.922	58.355	20.518	26.0	(3.433)	(6.2)
Materials & Supplies	149.497	112.022	123.103	26.394	17.7	(11.081)	(9.9)
Other Business Expenditures	63.678	50.223	40.390	23.288	36.6	9.833	19.6
Total Non-Labor	\$632.834	\$529.395	\$471.880	\$160.954	25.4	\$57.515	10.9
<u>Other Expenditure Adjustments:</u>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenditures	\$1,665.342	\$1,563.356	\$1,528.438	\$136.904	8.2	\$34.918	2.2
Net Cash Surplus/(Deficit)	(\$567.240)	(\$542.970)	(\$509.929)	\$57.311	10.1	\$33.041	6.1
<u>Subsidies</u>							
MTA	\$445.187	\$422.592	\$364.118	(81.069)		(58.474)	(13.8)
CDOT	122.053	120.378	\$134.205	12.152	10.0	13.827	11.5
Total Subsidies	\$567.240	\$542.970	\$498.323	(\$68.917)	(12.1)	(\$44.647)	(8.2)
Opening Cash Balance	0.000	0.000	0.000	0.000		0.000	
Cash Timing and Availability Adjustment	0.000	0.000	12.941	12.941		12.941	
Closing Cash Balance	0.000	0.000	0.000	0.000		0.000	

Notes:

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE vs. FINAL (DRAFT) ACTUAL
CASH CONVERSION (CASH FLOW ADJUSTMENTS)
DECEMBER YEAR-TO-DATE
(\$ in millions)

	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$4.877	\$3.881	\$2.615	(\$2.262)	(46.4)	(\$1.266)	(32.6)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	82.316	48.469	21.336	(60.980)	(74.1)	(27.132)	(56.0)
MTA	6.143	2.772	41.019	34.876	*	38.247	*
CDOT	0.000	0.000	(1.804)	(1.804)	-	(1.804)	*
Other	1.234	(0.000)	1.347	0.113	9.2	1.347	*
Capital & Other Reimbursements	7.377	2.772	40.562	33.185	*	37.790	*
Total Receipts	\$94.570	\$55.121	\$64.513	(\$30.057)	(31.8)	\$9.392	17.0
Expenditures							
Labor:							
Payroll	(\$10.842)	(\$2.249)	\$1.700	\$12.542	*	\$3.949	*
Overtime	0.298	(0.532)	0.408	0.110	36.8	0.939	*
Health and Welfare	(3.746)	(3.855)	(22.335)	(18.589)	*	(18.480)	*
OPEB Current Payment	0.000	(0.001)	(0.363)	(0.363)	-	(0.362)	*
Pensions	(1.182)	(0.495)	(1.385)	(0.203)	(17.2)	(0.890)	*
Other Fringe Benefits	(1.069)	(0.570)	(13.082)	(12.013)	*	(12.513)	*
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	(2.115)	(2.085)	(3.181)	(1.066)	(50.4)	(1.096)	(52.6)
Total Labor	(\$18.657)	(\$9.786)	(\$38.238)	(\$19.581)	*	(\$28.452)	*
Non-Labor:							
Electric Power	(\$1.571)	(\$0.001)	(\$3.462)	(\$1.891)	*	(\$3.461)	*
Fuel	0.880	0.439	1.258	0.378	42.9	0.819	*
Insurance	(0.418)	(0.279)	2.994	3.412	*	3.274	*
Claims	(55.473)	(40.953)	(10.658)	44.815	80.8	30.294	74.0
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(18.015)	(26.878)	(13.433)	4.582	25.4	13.445	50.0
Professional Service Contracts	(10.728)	(5.406)	(15.352)	(4.623)	(43.1)	(9.946)	*
Materials & Supplies	(9.997)	(1.797)	(15.337)	(5.339)	(53.4)	(13.540)	*
Other Business Expenditures	(47.487)	(32.887)	(27.316)	20.171	42.5	5.571	16.9
Total Non-Labor	(\$142.810)	(\$107.762)	(\$81.306)	\$61.504	43.1	\$26.456	24.6
Other Expenditure Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Other Post Employment Benefits	0.000	0.000	0.000	0.000	-	0.000	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Cash Conversion Adjustments before Non-Cash Liability Adjs.	(\$66.897)	(\$62.427)	(\$55.031)	\$11.866	17.7	\$7.396	11.8
Depreciation	\$234.092	\$231.305	\$236.091	\$1.999	0.9	\$4.786	2.1
OPEB Obligation	68.316	68.316	57.086	(11.231)	(16.4)	(11.231)	(16.4)
GASB68 Pension Adjustment	0.000	(21.688)	(10.497)	(10.497)	-	11.192	51.6
Environmental Remediation	5.000	3.708	3.694	(1.306)	(26.1)	(0.014)	(0.4)
Total Cash Conversion Adjustments	\$240.511	\$219.214	\$231.343	(\$9.168)	(3.8)	\$12.129	5.5

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO NORTH RAILROAD
2016 YEAR-END REPORT
2016 CASH RESULTS - FINAL ESTIMATE VS. ACTUAL
(\$ in millions)

	Favorable/(Unfavorable) Variance				
	Final Estimate	Actual	Total	Real	Timing
<u>Receipts</u>					
Farebox Revenue	\$691.1	\$692.1	\$1.1	\$1.1	\$0.0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	111.9	86.3	(25.6)	(1.4)	(24.2)
Capital and Other Reimbursements	217.4	240.1	22.7	40.7	(18.1)
Total Receipts	\$1,020.4	\$1,018.5	(\$1.9)	\$40.4	(\$42.3)
<u>Expenditures</u>					
Labor:					
Payroll	\$529.3	\$533.8	(\$4.5)	(\$4.5)	\$0.0
Overtime	119.0	113.3	5.8	5.8	0.0
Health and Welfare	122.9	133.9	(11.0)	0.0	(11.0)
OPEB Current Payment	30.5	30.4	0.1	0.1	0.0
Pensions	104.3	102.3	2.0	2.0	0.0
Other Fringe Benefits	127.9	142.9	(15.0)	(15.0)	0.0
GASB Account	0.0	0.0	0.0	0.0	0.0
Reimbursable Overhead	0.0	(0.0)	0.0	0.0	0.0
Total Labor Expenditures	\$1,034.0	\$1,056.6	(\$22.6)	(\$11.6)	(\$11.0)
Non-Labor:					
Electric Power	\$64.5	\$65.5	(\$1.0)	\$0.5	(\$1.5)
Fuel	14.4	13.2	1.2	0.6	0.6
Insurance	23.5	20.1	3.4	1.4	2.1
Claims	44.4	15.9	28.5	(0.0)	28.5
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	165.5	135.4	30.1	4.0	26.1
Professional Service Contracts	54.9	58.4	(3.4)	(5.4)	2.0
Materials & Supplies	112.0	123.1	(11.1)	(21.3)	10.2
Other Business Expenses	50.2	40.4	9.8	1.5	8.3
Total Non-Labor Expenditures	\$529.4	\$471.9	\$57.5	(\$18.8)	\$76.3
Other Expenditure Adjustments:					
Other			\$0.0	\$0.0	\$0.0
Total Other Expenditure Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$1,563.4	\$1,528.4	\$34.9	(\$30.3)	\$65.3
Net Cash Surplus/(Deficit)	(\$543.0)	(\$509.9)	\$33.0	\$10.1	\$23.0

Totals may not agree due to rounding.
Results are subject to audit

MTA METRO-NORTH RAILROAD
2016 Adopted Budget and Final Estimate vs. Actual Results
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

					2016		2016	
					Adopted Budget vs. Actuals		Final Estimate vs. Actuals	
	2016 Adopted Budget		2016 Final Estimate		Actual		Var. - Fav/(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME								
<u>Scheduled Service</u> ¹	652,974	\$ 39.797	643,174	\$ 37.903	584,647	\$ 35.239	68,327 10.5%	\$4.558 11.5%
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Programmatic/Routine Maintenance</u>	575,818	\$ 31.244	557,528	\$ 29.874	578,913	\$ 32.374	(3,094) -0.5%	(\$1.129) -3.6%
<u>Unscheduled Maintenance</u>	12,397	\$ 0.600	10,149	\$ 0.600	12,604	\$ 0.663	(207) -1.7%	(\$0.063) -10.5%
<u>Vacancy/Absentee Coverage</u> ²	316,232	\$ 17.810	316,631	\$ 17.810	331,395	\$ 17.379	(15,163) -4.8%	\$0.431 2.4%
<u>Weather Emergencies</u>	164,002	\$ 9.000	132,494	\$ 7.300	76,485	\$ 4.266	87,518 53.4%	\$4.734 52.6%
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Other</u> ^{4,5}	0	\$ 0.000	0	\$ 0.383	0	\$ 0.413	-	(\$0.413)
Subtotal	1,721,424	\$ 98.451	1,659,976	\$ 93.870	1,584,043	\$ 90.333	137,380 8.0%	\$8.118 8.2%
REIMBURSABLE OVERTIME	330,756	\$ 18.496	400,324	\$ 24.610	388,725	\$ 23.337	(57,969) -17.5%	(\$4.840) -26.2%
TOTAL OVERTIME	2,052,180	\$ 116.947	2,060,300	\$ 118.480	1,972,768	\$ 113.670	79,411 3.9%	\$3.278 2.8%

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category)

³ Not Applicable

⁴ Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions.

Also reflects timing differences related to payroll and calendar cutoff dates.

⁵ 2016 Final Estimate "Other" Causality was revised to zero hours

**MTA Metro-North Railroad
2016 Overtime Results
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)**

	Final Estimate vs. December Year-to-Date		
	Var. - Fav./(Unfav)		Explanations
	Hours	\$	
NON-REIMBURSABLE OVERTIME			
<u>Scheduled Service</u> ¹	58,527	\$2.664	Higher staff availability due to recently graduated conductor classes available for service coverage.
	9.1%	7.0%	
<u>Unscheduled Service</u>	0	\$ -	
<u>Programmatic/Routine Maintenance</u>	(21,385)	(\$2.499)	Accelerated infrastructure maintenance due to the mild weather and higher maintenance in GCT.
	-3.8%	-8.4%	
<u>Unscheduled Maintenance</u>	(2,455)	(\$0.063)	
	-24.2%	-10.5%	
<u>Vacancy/Absentee Coverage</u> ²	(14,764)	\$0.431	Slightly lower vacation, sick and vacancy coverage requirements.
	-4.7%	2.4%	
<u>Weather Emergencies</u>	56,009	\$3.034	Fewer weather events than budgeted.
	42.3%	41.6%	
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -	
<u>Other</u> ^{4,5}	0	(\$0.030)	Reflects timing differences related to payroll and calendar cutoff dates.
Subtotal	75,932	\$3.537	
	4.6%	3.8%	
REIMBURSABLE OVERTIME	11,599	\$1.274	Reflects lower than forecasted project activity for Turnouts Mainline High Speed, Cyclical Track Program and Cos Cob Bridge Mitre Rail Replacement.
	2.9%	5.2%	
TOTAL OVERTIME	87,532	\$4.811	

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category)

³ Not Applicable

⁴ Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions. Also reflects timing differences related to payroll and calendar cutoff dates.

⁵ 2016 Final Estimate "Other" Causality was revised to zero hours

MTA METRO-NORTH RAILROAD
2016 Overtime Report
Overtime Legend

OVERTIME DECOMPOSITION LEGEND DEFINITIONS

<u>Type</u>	<u>Definition</u>
<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
DETAILED EXPLANATION OF VARIANCES ON
NON-REIMBURSABLE AND REIMBURSABLE POSITIONS
By FUNCTION and DEPARTMENT**

2016 ACTUALS vs. FINAL ESTIMATE

In 2016, Metro-North staff count was 477 lower than the Final Estimate. While approximately 700 open positions were filled, they were partially offset by a higher level of retirements, normal staff turnover and a significant portion of the hires being filled by internal transfers.

The number of Administrative positions paid was 96 fewer than the Final Estimate primarily due to timing differences in the hiring of positions in the Training and Safety Departments, which are under active recruitment as well as vacancies in the Procurement & Material Management, Controller and Customer Service Departments. The number of Operations positions paid was 41 higher than the Final Estimate primarily due to higher Conductor, Engineer and Rail Traffic Controller trainee positions in the Transportation Department. Maintenance positions were 408 fewer than the Final Estimate primarily due to vacancies in the Maintenance of Way and Maintenance of Equipment Departments resulting from a high degree of internal transfers filling positions and timing differences in the hiring of recently created positions. There were 14 fewer Engineering/Capital positions than the Final Estimate due to internal transfers and challenges in filling engineer positions.

MTA METRO-NORTH RAILROAD
2016 FINAL ESTIMATE VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
December 31, 2016

<u>Department</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
Administration				
President	4	3	1	
Labor Relations	18	16	2	
Safety	54	42	12	A
Security	21	18	3	
Office of the Executive VP	10	8	2	
Corporate & Public Affairs	19	16	3	
Customer Service	66	58	8	A
Legal	19	16	3	
Claims	14	11	3	
Environmental Compliance & Svce	8	7	1	
Human Resources	48	44	4	
Training	98	77	21	A
Employee Relations & Diversity	6	6	0	
VP Planning	2	2	-	
Operations Planning & Analysis	22	18	4	
Capital Planning & Programming	18	13	5	
Long Range Planning	8	8	-	
VP Finance & Info Systems	7	2	5	
Controller	80	72	8	A
Budget	22	18	4	
Procurement & Material Management	34	26	8	A
Corporate	-	-	-	
Total Administration	578	482	96	
Operations				
Operations Administration	70	57	13	A
Transportation	1,488	1,578	(90)	B
Customer Service	324	308	16	A
Metro-North West	46	26	20	
Total Operations	1,928	1,969	(41)	
Maintenance				
Maintenance of Equipment	1,764	1,628	136	A
Maintenance of Way	2,319	2,050	269	A
Procurement & Material Mgmt	124	120	4	
Total Maintenance	4,207	3,799	408	
Engineering/Capital				
Construction Management	43	38	5	
Engineering & Design	80	70	10	
Total Engineering/Capital	123	109	14	
Total Positions	6,836	6,359	477	
Non-Reimbursable	6,300	5,981	319	
Reimbursable	536	377	159	
Total Full-Time	6,835	6,358	477	
Total Full-Time-Equivalents (of part-time positions)	1	1	-	

Notes

(A) Variance reflects delayed and internal hiring of vacant positions.

(B) Variance reflects higher recruiting than planned.

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
DETAILED EXPLANATIONS of VARIANCES on
FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
By OCCUPATIONAL GROUP**

2016 ACTUALS vs. FINAL ESTIMATE

In 2016, Metro-North staff count was 477 lower than the Final Estimate. While approximately 700 open positions were filled, they were partially offset by a high level of retirements, normal staff turnover and a significant portion of the hires being filled by internal transfers.

The number of Administration positions paid was 96 fewer than the Final Estimate primarily due to timing differences in the hiring of positions in the Training and Safety Departments which are under active recruitment as well as vacancies in the Procurement & Material Management, Controller and Customer Service Departments. The number of Operations positions paid was 41 more than the Final Estimate primarily due to higher Conductor, Engineer and Rail Traffic Controller trainee positions in the Transportation Department in the Operational Hourly category, partially offset by vacancies in specialist positions in the Professional, Technical, Clerical category. Maintenance positions paid were 408 fewer than the Final Estimate due to Operational Hourlies vacancies in Carman, Electrician and Mechanic's crafts that support right-of-way and rolling stock maintenance as well as vacant Electrical, Mechanical, Track Foreman and Director level staff in the Managers/Supervisors category. Engineering/Capital positions paid were 14 fewer than the Final Estimate due to internal transfers and challenges in filling Engineer positions.

MTA METRO-NORTH RAILROAD
2016 FINAL ESTIMATE VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
December 31, 2016

FUNCTION/OCCUPATION	Final Estimate	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	169	153	16
Professional, Technical, Clerical	409	329	80
Operational Hourlies	-	-	-
Total Administration	578	482	96
Operations			
Managers/Supervisors	230	228	2
Professional, Technical, Clerical	198	162	36
Operational Hourlies	1,500	1,579	(79)
Total Operations	1,928	1,969	(41)
Maintenance			
Managers/Supervisors	704	616	88
Professional, Technical, Clerical	539	492	47
Operational Hourlies	2,964	2,692	272
Total Maintenance	4,207	3,799	408
Engineering/Capital			
Managers/Supervisors	43	43	-
Professional, Technical, Clerical	80	66	14
Operational Hourlies	-	-	-
	123	109	14
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	1,146	1,040	106
Professional, Technical, Clerical	1,226	1,048	178
Operational Hourlies	4,464	4,271	193
Total Positions	6,836	6,359	477

**MTA METRO-NORTH RAILROAD
2016 YEAR-END REPORT
DETAILED EXPLANATIONS OF VARIANCES ON
RIDERSHIP (UTILIZATION)**

2016 Metro-North rail ridership for East and West of Hudson service totaled 86.5 million rides, an increase of 0.2 million (0.2%) over 2015.

East of Hudson ridership for 2016 was the highest in the railroad's history at 84.8 million, surpassing the previous record of 84.5 million rides that was set in 2015. This is an increase of 0.3 million rides or 0.3% over 2015 that spanned all three commuter lines.

The increases by service line versus 2015 are as follows:

- +0.5% Harlem Line
- +0.8% Hudson Line
- +0.1% New Haven Line

Significant ridership increases occurred in discretionary weekday off-peak ridership during the past year, due in part to the improved and reliable service. Commutation ridership to Manhattan increased in 2016, reflecting the continued improvement in the regional economy. However, Intermediate and weekend ridership decreased:

- +1.7% Commutation to Manhattan
- +1.9% Weekday Off-Peak
- -1.2% Weekend
- +0.5% Reverse Commutation
- - 2.7% Intermediate

As compared to the Final Estimate, overall East of Hudson ridership was higher by 0.2%. The ridership increase was on all three lines reflecting slightly higher than projected non-commutation ridership growth. Overall, commutation ridership was 0.4% lower than the Final Estimate and non-commutation ridership 1.0% higher than the Final Estimate.

West-of-Hudson ridership was 1.7 million for the year, which was 2.4% lower than the Final Estimate and 3.5% lower than 2015.

MTA METRO-NORTH RAILROAD
2016 ADOPTED BUDGET AND FINAL ESTIMATE VS ACTUAL
RIDERSHIP/UTILIZATION
DECEMBER 2016
(in millions)

	YTD AS OF DECEMBER 2016				Favorable/(Unfavorable) Variance					
	ADOPTED BUDGET	FINAL ESTIMATE	ACTUAL 2016	ACTUAL 2015	ADOPTED BUDGET		FINAL ESTIMATE		2015	
	\$				\$	%	\$	%	\$	%
FAREBOX REVENUE										
Harlem Line - Commutation	109.019	109.463	108.969	106.636	(0.050)	0.0%	(0.494)	-0.5%	2.333	2.2%
Harlem Line - Non-Commutation	98.035	95.191	96.010	95.113	(2.025)	-2.1%	0.819	0.9%	0.897	0.9%
TOTAL HARLEM LINE	\$207.054	\$204.654	\$204.979	\$201.749	(\$2.075)	-1.0%	\$0.325	0.2%	\$3.230	1.6%
Hudson Line - Commutation	71.439	70.980	70.807	69.792	(0.632)	-0.9%	(0.173)	-0.2%	1.015	1.5%
Hudson Line - Non-Commutation	79.356	77.516	78.699	77.098	(0.657)	-0.8%	1.183	1.5%	1.601	2.1%
TOTAL HUDSON LINE	\$150.795	\$148.496	\$149.506	\$146.890	(\$1.289)	-0.9%	\$1.010	0.7%	\$2.616	1.8%
New Haven Line - Commutation	150.833	151.427	151.051	148.342	0.218	0.1%	(0.376)	-0.2%	2.708	1.8%
New Haven Line - Non-Commutation	184.187	182.254	183.716	180.199	(0.471)	-0.3%	1.462	0.8%	3.517	2.0%
TOTAL NEW HAVEN LINE	\$335.020	\$333.681	\$334.767	\$328.541	(\$0.253)	-0.1%	\$1.086	0.3%	\$6.226	1.9%
All Lines - Commutation	331.291	331.870	330.827	324.770	(0.464)	-0.1%	(1.044)	-0.3%	6.057	1.9%
All Lines - Non-Commutation	361.578	354.961	358.425	352.410	(3.154)	-0.9%	3.464	1.0%	6.015	1.7%
TOTAL EAST OF HUDSON LINES	\$692.869	\$686.831	\$689.251	\$677.180	(\$3.617)	-0.5%	\$2.421	0.4%	\$12.072	1.8%
West of Hudson Mail-n-Ride Revenue ⁽¹⁾	0.408	0.354	0.259	0.378	(0.149)	-36.5%	(0.095)	-26.7%	(0.119)	-31.4%
TOTAL FAREBOX REVENUE	\$693.277	\$687.185	\$689.511	\$677.558	(\$3.766)	-0.5%	\$2.326	0.3%	\$11.953	1.8%
RIDERSHIP										
Harlem Line - Commutation	16.902	16.931	16.861	16.693	(0.041)	-0.2%	(0.070)	-0.4%	0.168	1.0%
Harlem Line - Non-Commutation	11.111	10.757	10.859	10.897	(0.252)	-2.3%	0.102	0.9%	(0.038)	-0.3%
TOTAL HARLEM LINE	28.013	27.688	27.720	27.590	(0.293)	-1.0%	0.032	0.1%	0.130	0.5%
Hudson Line - Commutation	9.417	9.371	9.346	9.280	(0.071)	-0.8%	(0.025)	-0.3%	0.066	0.7%
Hudson Line - Non-Commutation	7.312	7.137	7.258	7.196	(0.054)	-0.7%	0.121	1.7%	0.062	0.9%
TOTAL HUDSON LINE	16.729	16.508	16.604	16.476	(0.125)	-0.7%	0.096	0.6%	0.128	0.8%
New Haven Line - Commutation	22.711	22.718	22.614	22.557	(0.097)	-0.4%	(0.104)	-0.5%	0.057	0.3%
New Haven Line - Non-Commutation	18.160	17.730	17.870	17.911	(0.290)	-1.6%	0.140	0.8%	(0.041)	-0.2%
TOTAL NEW HAVEN LINE	40.871	40.448	40.484	40.468	(0.387)	-0.9%	0.036	0.1%	0.016	0.0%
Total Ridership East of Hudson										
All Lines - Commutation	49.030	49.019	48.821	48.530	(0.209)	-0.4%	(0.198)	-0.4%	0.291	0.6%
All Lines - Non-Commutation	36.582	35.624	35.987	36.004	(0.595)	-1.6%	0.363	1.0%	(0.017)	0.0%
TOTAL EAST OF HUDSON LINES	85.612	84.643	84.808	84.534	(0.804)	-0.9%	0.165	0.2%	0.274	0.3%
Total Ridership West of Hudson										
All Lines - Commutation	1.030	0.957	0.943	0.988	(0.087)	-8.4%	(0.014)	-1.5%	(0.045)	-4.6%
All Lines - Non-Commutation	0.772	0.769	0.742	0.758	(0.030)	-3.9%	(0.027)	-3.5%	(0.016)	-2.1%
TOTAL WEST OF HUDSON LINES ⁽²⁾	1.802	1.726	1.685	1.746	(0.117)	-6.5%	(0.041)	-2.4%	(0.061)	-3.5%
Total Ridership East & West of Hudson										
All Lines - Commutation	50.060	49.976	49.764	49.518	(0.296)	-0.6%	(0.212)	-0.4%	0.246	0.5%
All Lines - Non-Commutation	37.354	36.393	36.729	36.762	(0.625)	-1.7%	0.336	0.9%	(0.032)	-0.1%
TOTAL EAST & WEST OF HUDSON LINES	87.414	86.369	86.493	86.280	(0.921)	-1.1%	0.124	0.1%	0.214	0.2%

(1) West of Hudson ticket sales received through Metro-North Mail & Ride program are reported as Metro-North Farebox Revenues; all other West of Hudson ticket revenues are offset against

New Jersey Transit operating costs for providing service to the Pascack Valley Line and Port Jervis Line.

(2) West of Hudson total ridership for both Pascack Valley and Port Jervis lines.

MTA METRO-NORTH RAILROAD 2016 YEAR-END REPORT RESULTS OF OPERATIONS

In 2016, Metro-North Railroad (MNR) continued to utilize its resources to sustain current operations and fund strategic investments that further promote safe, secure and reliable transportation service for our customers, a safe and secure working environment for our employees, and constant and impactful improvements in our infrastructure. Over the last several years, Metro-North has taken important steps to develop policies and initiatives to meet these objectives and that work continues.

Our Strategic Plan

In June, we launched the Metro-North Strategic Plan for 2016-2020. Our mission is to be a safe, reliable and efficient railroad providing regional mobility and excellent service to our customers. Our vision is that over the next five years, through an engaged and empowered workforce, Metro-North Railroad will provide superior customer service by setting the standard for safety, reliability and innovation.

The Strategic Plan, developed through a collaborative process with the entire workforce, is dynamic and ongoing. Our plan identifies 3 Priority Areas: Our People, Our Customers and Our Infrastructure. Through these three priorities, an engaged workforce will continue to progress Metro-North Railroad towards fulfilling Our Mission:

- *Our People – Be an engaged, accountable and high performing workforce.*
- *Our Customers – Consistently meet customer expectations by ensuring safe, reliable, accessible and comfortable service, and by providing timely, accurate and open communication.*
- *Our Infrastructure – Ensure that all assets are in a state of good repair.*

Our Plan drivers - Safety, Integrity, and Innovation establish the focus for new initiatives.

- *Safety – Safety guides all our decisions, actions and initiatives.*
- *Integrity – Maintaining the public's confidence in all that we do and building a sustainable future.*
- *Innovation – Encouraging new ways of thinking and doing business.*

These efforts improve the Railroad's operations, particularly the safety and reliability of the right-of-way infrastructure. They have reduced both the number and duration of unscheduled track outages as maintenance to significant stretches of track have been addressed. This progress has improved safety and also benefits on-time performance as speed restrictions are reduced or eliminated. This also fosters the identification of new opportunities and maintenance requirements that further support safety and service reliability goals.

Safety/Security Initiatives

Safety

- Expanded the implementation of the Confidential Close Call Reporting System (C3RS) to the Engineering and Mechanical Departments. C3RS is a partnership

between the National Aeronautics and Space Administration (NASA) and the Federal Railroad Administration (FRA) in conjunction with Metro-North and its labor organizations. Metro-North is the first commuter railroad to fully implement C3RS with its operations workforce on a system wide basis, which has generated over 1,300 reports since its inception.

- Metro-North was awarded the 2016 APTA Safety Gold Award for implementing the Enhanced Employee Protection System (EEPS), an industry-leading tool providing an additional layer of safety protection for employees working on or around the tracks by allowing the Roadway Worker In-Charge to be an active participant in the on-track protection process.
- Progressed the installation of Positive Train Control (PTC), which is regarded as the most modern type of train protection. Implementation of Civil Speed Enforcement (CSE) on the New Haven Line between Devon and New Haven was implemented in June and the remaining New Haven Line segment was implemented in January 2017. The full PTC pilot program is set to begin on the New Haven and Hudson Lines in 2017.
- Continue to hold Quarterly Safety Focus Days with approximately 3,000 employees participating at work locations throughout the railroad. These provide opportunities for employees to provide feedback and discuss safety concerns. This information is tracked and corrective actions are developed and monitored until completed.
- Revised Metro-North's new hire training to now include a full day focused on safety. This training introduces new employees to safe work practices and includes time in the field to ensure all employees are safe while working on the railroad. Metro-North is also including current employees in the training program, with an emphasis on those with less than 5 years of service.
- Progressed the Obstructive Sleep Apnea pilot study of all 434 Locomotive Engineers, of which approximately 115 employees were referred for further testing. Approximately 51 employees were diagnosed and are currently receiving monitored treatment. Pursuant to an all-agency procurement led by MTA, the Obstructive Sleep Apnea program is currently being expanded to include conductors.
- Implemented a Safety Education/Community Outreach program to educate and promote grade crossing awareness and rail safety to schools, busing and trucking companies, and the communities we serve. Metro-North's program, TRACKS - Together Railroads and Communities Keeping Safe, in partnership with Operation Lifesaver and the MTA Police, was implemented in early June and has reached over 50,000 individuals in 2016.
- In September of 2016, as a part of our TRACKS program, Metro-North began a suicide prevention campaign in partnership with the National Suicide Prevention Lifeline and Mental Health Association of NYC (MHA-NYC). Information for the

suicide prevention helpline is displayed in poster and digital format at 67 LCD kiosks, 124 station kiosks, on board trains and via social media.

- Continued to implement National Transportation Safety Board (NTSB) recommendations, while working with both the NTSB and other MTA agencies to ensure the coordination of industry best and safe practices.

Security

- Received the U.S. Transportation Security Administration's (TSA) highest honor - the 2016 "Gold Standard Award" - in recognition of Metro-North's high score on the Baseline Assessment of Security Enhancements (BASE) for developing and implementing a strong security program.
- Upgraded the PROTECT system chemical agent detection and response capabilities in Grand Central Terminal in conjunction with the Department of Homeland Security (DHS) and the National Labs.
- Supported the installation of inward and outward facing as well as passenger area video cameras on Metro-North trains. As part of a pilot project, cameras have been installed in several of our trains and data from those tests will be used to make software and other adjustments. The new cameras, which are an MTA sponsored project in accordance with NTSB recommendations, will have significant safety, security and operational benefits for Metro-North.
- Supported numerous capital security projects, such as East Side Access, Customer Service Initiatives, and several passenger station security upgrades including the Harlem-125th Street and Fordham stations.
- Developed and deployed a "Security Basics" employee security training presentation, with heavy emphasis on identifying suspicious items and behavior, active shooter response and workplace violence prevention and follow-up.

Operations/Technology Initiatives

- Advanced the railroad's track work initiative, a system-wide effort that has rebuilt miles of the railroad in the last four years, resulting in safer and more reliable service for customers. Since 2013, Metro-North has replaced 149,044 ties, laid 26.5 miles of continuous welded rail, rebuilt 148 switches, renewed and/or upgraded 60 railroad crossings (45 percent of all the crossings in the network), and performed 4,835 welds on joints that connect rails with one another.
- Advanced the railroad's ambitious Grade Crossing Renewal Program with the renewal of 16 grade crossings. Including 2014 and 2015, substantial inroads were made with the renewal of:
 - 83 percent of Hudson Line crossings
 - 43 percent of Harlem Line crossings
 - 100 percent of the New Canaan Branch crossings

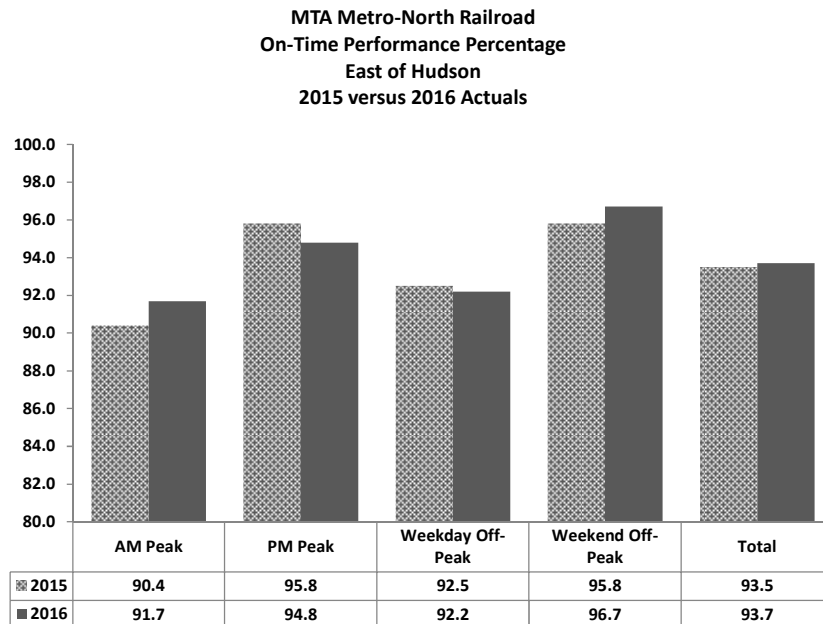
- 41 percent of the Danbury Branch crossings
 - 12 percent of the Waterbury Branch crossings
- Metro-North is also employing a wide range of technology to supplement visual track inspections, which are conducted twice a week by inspectors who are positioned on the tracks. This sophisticated equipment can detect issues unseen by visual inspection. The range of high-tech inspections includes:
 - Track Geometry – To measure a variety of geometric parameters of track, including the position, curvature, alignment, smoothness, and the cross level of the two running rails, track geometry cars are utilized. The cars use a variety of sensors as well as measuring and data management systems to create a profile of the track being inspected.
 - Internal Metal Defects and Fatigue – To detect flaws, defects and metal fatigue inside the steel running rails that trains roll over, Metro-North utilizes specialized rail inspection cars that measure rail strength with ultrasonic and induction test equipment.
 - Mismatched Joint Bars – To identify any instances where the end of a rail does not match up precisely with the beginning of the following rail, Metro-North uses railway maintenance equipment, which makes rail measurements of joint bars that are accurate to within two-hundredths of an inch.
 - Track Loading – A track loading vehicle is used to give rails a stress test, applying forces close to the strength limits of the rails, track ties, rail fasteners, and stone ballast.
 - Automated Geometry Inspection Equipment – Installed three of our revenue train cars, with the ability to capture continuous track geometry measurements as trains carry passengers around the system. This equipment is in test mode and expected to be fully functional in mid-2017.
 - The Metropolitan Transportation Authority (MTA) Board approved an order for at least 60, and up to a total of 94 additional new M-8 rail cars that provide train service on Metro-North's New Haven Line. The cars, the first of which are expected to enter service in three years, will allow the railroad to lengthen rush hour trains, retire its last 36 older M-2 cars, increase safety, and provide flexibility to increase train service in the years ahead to meet ridership increases. The cars will supplement the 405 M-8 cars already in use on the New Haven Line. In addition, there is also an option for CDOT to configure 9 of the new cars as Café Cars.
 - Completed the final phase of a \$5.8 million priority-repair project on Devon Bridge by utilizing the temporary transfer point established in 2015 – Devon Transfer. The transfer featured a walkway connecting platforms on the Main Line

and Waterbury Branch as well as lights and a public address system. It was used to provide train-to-train transfers from March through November after which it was removed.

- Overhauled two additional GP-35 Locomotives bringing the total to four with the remaining three to be completed in 2017.
- Progressed the second Reliability Centered Maintenance (RCM) overhaul for the P-32 Fleet and completed the major component changes in the new Harmon Locomotive Facility. This initiative returns work to the facility and takes advantage of recent capital investments made at the railroad's Croton-Harmon Maintenance Facility.

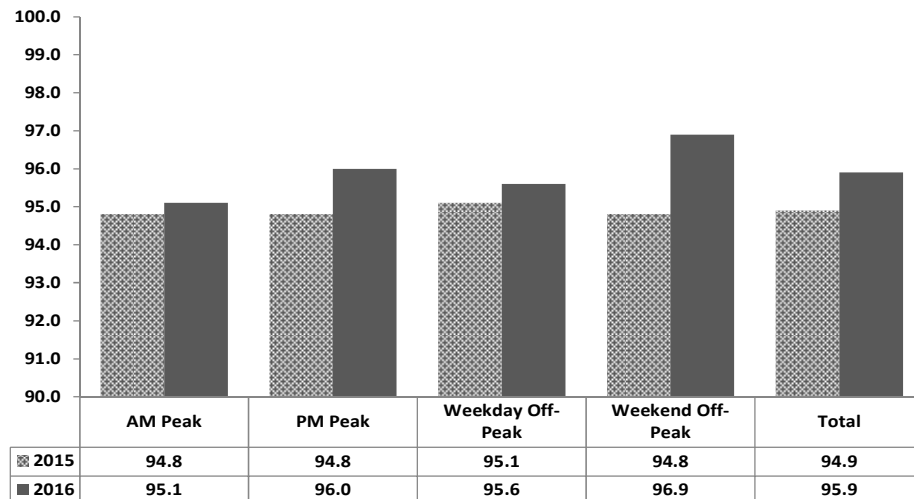
2016 On-Time Performance

- Metro-North's system-wide on-time performance for 2016 totaled 93.7 percent, up from 93.5 percent in 2015 and above the railroad's goal of 93.0 percent. The Harlem Line performed at 94.6 percent, the Hudson Line at 95.0 percent and the New Haven Line at 92.1 percent.



West-of-Hudson on-time performance totaled 95.9 percent, an increase from 94.9 percent the previous year.

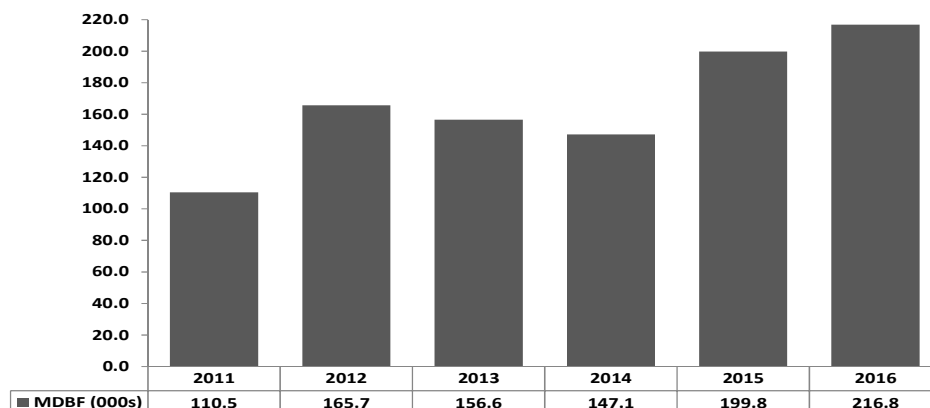
**MTA Metro-North Railroad
On-Time Performance Percentage
West of Hudson
2015 versus 2016 Actuals**



Equipment Reliability

- In 2016, the railroad maintained a high Mean Distance Between Failures (MDBF), the distance a train travels before experiencing a mechanical problem, of 216,772 miles. This improves upon 2015's MDBF by more than 8 percent and beats the railroad's goal of 200,000 miles. Contributing factors included the performance of the new M8 fleet on the New Haven Line and aggressive car and locomotive maintenance programs. This also resulted in a consist compliance rate, which is the percentage of cars in service every day providing seats for the railroad's customers, of 99.5 percent.

**MTA Metro-North Railroad
Mean Distance Between Failure (MDBF)
Miles 000s**



2011 Reflects New Haven Line Equipment damage from the effects of Hurricane Sandy

Ridership

2016 Metro-North rail ridership for East and West of Hudson service totaled 86.5 million rides, an increase of 0.2 million (0.2%) over 2015.

East of Hudson ridership for 2016 was the highest in the railroad's history at 84.8 million, surpassing the previous record of 84.5 million rides that was set in 2015. This is an increase of 0.3 million rides or 0.3% over 2015 that spanned all three commuter lines.

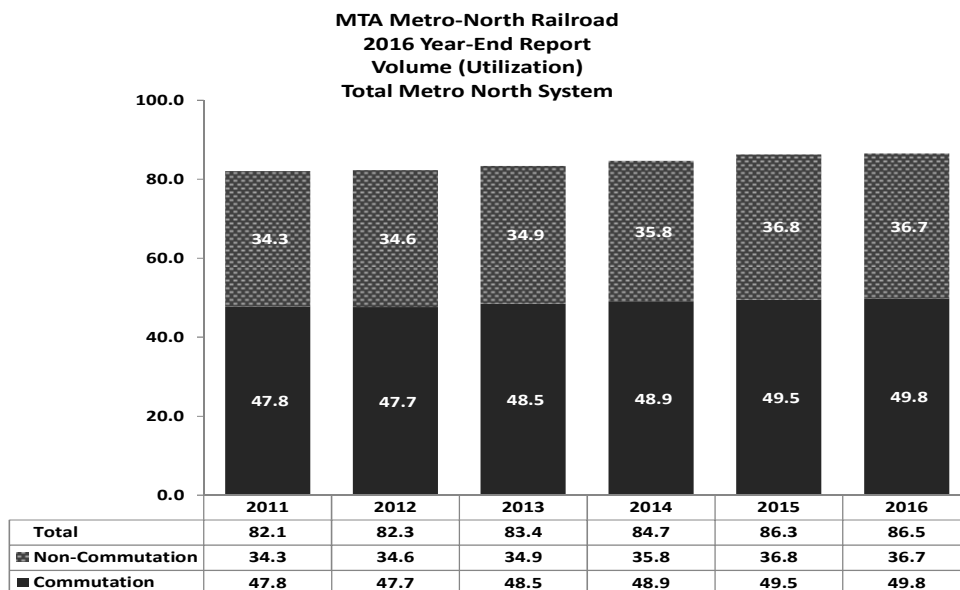
The increases by service line versus 2015 are as follows:

- +0.5% Harlem Line
- +0.8% Hudson Line
- +0.1% New Haven Line

Significant ridership increases occurred in discretionary weekday off-peak ridership during the past year, due in part to the improved and reliable service. Commutation ridership to Manhattan increased in 2016, reflecting the continued improvement in the regional economy. However, Intermediate and weekend ridership decreased:

- +1.7% Commutation to Manhattan
- +1.9% Weekday Off-Peak
- -1.2% Weekend
- +0.5% Reverse Commutation
- -2.7% Intermediate

As compared to the Final Estimate, overall East of Hudson ridership was higher by 0.2%. The ridership increase was on all three lines reflecting slightly higher than projected non-commutation ridership growth. Overall, commutation ridership was 0.4% lower than the 2016 Final Estimate and non-commutation ridership 1.0% higher than the 2016 Final Estimate. West-of-Hudson ridership was 1.69 million for the year, which was 2.4% lower than the 2016 Final Estimate and 3.5% lower than 2015.



Customer Service Initiatives

- Together with the Long Island Rail Road, jointly launched MTA eTix®, the mobile ticketing app that allows customers to purchase and use railroad tickets directly on their smartphone or mobile device. The app was available on Metro-North's Hudson Line in June and both the Harlem and New Haven Lines at the end of August. The MTA eTix® app has proved so popular with customers that by the end of December 2016, 14% of all monthly tickets, 23% of all weekly tickets and 13% of all one way tickets were purchased via this new sales channel.
- Continued to roll out new wireless station LCD (liquid crystal display) monitors, which display the next nine trains that arrive at the station, the stops they make, departure times, real-time train status and track information. Stations completed in 2016 included Riverdale, Hastings on Hudson, Peekskill, Beacon, New Hamburg, Pleasantville, Bedford Hills, Katonah and Bridgeport. Currently there are 44 stations that have monitors with Metro-North expanding these monitors across all East-of-Hudson stations in New York State. An average of 10 stations will be completed each year, until the installation project is completed in 2020.
- Held a series of public "Connect With Us" forums to increase transparency and customer feedback. These included informal outreach meetings at Grand Central and outlying stations as well as forums at which Metro-North senior management elicited suggestions from customers, local mayors, and residents across the service area.
- Expanded the popular "Quiet CALMmute" program to include two quiet cars on every weekday train including both peak and off-peak.

Capital

Major 2016 Commitments

- Rolling Stock
 - Continued design reviews for the M-9 railcar contract, a joint procurement with the LIRR. Metro-North is considering a total procurement of up to 140 M-9 railcars and will continue its involvement through completion of final design reviews and qualification testing at which time it will determine whether or not to exercise an option to purchase M-9 vehicles in the 3rd Quarter of 2017.
 - Completed contract work on the M-8 project for the design, manufacture, testing, and delivery of the M-8 electric multiple unit (EMU) cars for the New Haven Line. All married pairs and single cars continue to operate in revenue service. The M-8 fleet has been going through different phases of system modification, with expected completion in the third quarter of 2018.
- Stations
 - Awarded a preliminary design and construction management services contract in July for MNR station enhancements at the following five

stations: Harlem – 125th Street, Riverdale, Crestwood, White Plains and Port Chester.

- Awarded design contracts in October to address priority repairs at up to 18 stations on the Harlem Line, six on the Hudson Line and two on the New Haven line. These action items were identified in the station assessment reports and repairs will focus on completing safety critical priority repairs with the goal of extending the useful life of a number of station elements.
- Infrastructure
 - Awarded many contracts including the following projects:
 - Phase II of Positive Train Control Integrator for the commissioning, optimization and maintenance of the PTC system.
 - Installation of PTC Equipment on 168 M-7A Electric Multiple Unit (EMU) pairs.
 - The annual inspection and development of remediation designs for various East and West of Hudson rock slopes.
 - Continued with the design-build project for Harmon Shop Improvements which includes completing the erection of structural steel framing and precast concrete walls on the ground floor.

Major 2016 Completions

- Stations
 - Completed major renovations at Croton-Harmon and Fordham as well as station rehabilitation to Patterson, Pawling, Harlem Valley-Wingdale, Dover Plains, Tenmile River and Wassaic stations on the Upper Harlem Line as part of our ongoing Station Rehabilitation Program.
- Infrastructure
 - Completed the following projects:
 - The annual Cyclical Track project which installed approximately 14,000 ties, 8.1 miles of rail, and surfaced 55 miles of track.
 - The New Haven Line Signal Improvements project in August, which provided delivery and cutover support for pre-wired signal locations from Mount Vernon to Greenwich to improve capacities and reduce trip times on this section of the New Haven Line.
 - The Harlem River Lift Bridge Breaker Houses/Controls project in August.
 - The Grand Central Terminal Train Shed rehabilitation project in December, which included repairs to the structure at various locations throughout the train shed.

Sustainability/Transit Oriented Development Initiatives

- Recognized at NYPA's 2016 Innovators Summit: Accelerating New York's Energy Future for energy efficiency measures. The largest reduction in energy use intensity, which is the amount of energy used per square foot with 2 million square feet or more of managed space in the state, came in large part to Metro-North's achievement in reducing energy use at Grand Central Terminal. Through upgrades of steam systems, air handlers, the replacement of chillers and cooling towers, and the installation of high-efficiency lighting, the railroad was recognized for achieving a 20 percent reduction in EUI (Energy Use Intensity) at Grand Central Terminal since the 2010-11 state fiscal year, the baseline for measurement.
- Adopted International Organization for Standardization (ISO) 50001 Energy Framework standards to guide efforts to act in the most efficient, cost-effective, and environmentally responsible manner possible. Metro-North is looking to become the first transit agency in North America with an energy management plan certified by ISO 50001.
- Commissioned a new electronic fuel monitoring system at the railroad's Brewster Shop. The new system will monitor diesel and heating fuel consumption, detect leaks, and ultimately lead the railroad to better control how we monitor and consume fuel. This system is an important step towards improved fuel consumption monitoring while also coming closer to acquiring ISO 50001 Energy Management System certification.
- Advanced the proposed Harrison Station Transit Oriented Development project, which is undergoing required environmental and public review. The project, which will be built by Avalon Bay Communities, Inc. is a "mixed-use" development containing multi-family residential units (including affordable "Affirmatively Furthering Fair Housing" units), commercial/retail space, and structured parking, including a garage with spaces dedicated for use by Metro-North customers.

Metro-North—Cost Cutting/Other Revenue Initiatives

Cost Cutting

- Reduced operating subsidies by \$3.6 million annually through cost-cutting measures, while at the same time continuing the strategic long-term investments needed to ensure safe, secure, and reliable transportation services.
- Experienced considerable reductions in energy costs. Several factors have contributed to this favorably with the major factor being rates, which for electric propulsion power and diesel fuel for locomotives continue to be at their lowest levels in over a decade. This resulted in almost \$14 million in cost reductions versus 2015.
- Continued to generate steam and electric-related energy savings thanks to the Grand Central Energy Conservation Project. Annual cost reductions continue to

be comparable to the 2015 level of more than \$1.0 million annually versus 2014, when this project was originally completed.

- Progressed a licensing agreement with a consortium of wireless communication providers to implement a wireless network in Grand Central Terminal and the Park Avenue Tunnel by third quarter 2017. In addition to licensing revenue, this project also provides a critical safety and emergency communications network at no cost to Metro-North, representing combined revenue and cost savings worth some \$24.0 million over 20 years.
- MTA/Metro-North entered into a 5-year License Agreement with a car-sharing service provider effective December 2016. Reservable vehicles will be parked at dedicated spaces at Metro-North commuter parking facilities and began the roll-out of Phase 1 in February 2017, which includes 9 stations and 14 vehicles.

2016 RIDERSHIP REPORT

METRO NORTH RAILROAD

EXECUTIVE SUMMARY

Total Metro-North annual rail ridership was 86.5 million, which was 0.2% above 2015 and the highest in MNR history (surpassing the previous record of 86.3 million annual rides set in 2015 by approximately 0.2 million rides). Ridership has increased by approximately 64 percent over the past thirty years. This growth continues to be driven by increases in non-traditional markets; i.e., the Non-Commutation, Reverse Commutation and Intermediate markets. Since 1986, Non-Commutation ridership to/from Manhattan has increased by 107% and Intermediate ridership has increased by 202%; over the same time period, Commutation ridership to/from Manhattan has increased by only 27%.

2016 Ridership Summary

- MNR carried approximately 87.0 million customers – the highest total in MNR history
- Annual East of Hudson ridership was approximately 84.8 million, also the highest in MNR history (surpassing 2015's record of 84.5 million by approximately 0.3 million rides). East of Hudson Ridership increased 0.3% compared to 2015.
- 2016 was a record-setting year for all three lines—the New Haven Line, Harlem Line, and the Hudson Line.
- West of Hudson ridership decreased 3.5% during 2016.
- Ridership on the Hudson Rail Link and the Haverstraw-Ossining and Newburgh-Beacon ferries was 577,000 (+3.8% vs. 2015).

ANNUAL RIDERSHIP 2016 VS 2015 (in millions)

	Annual Ridership 2016	Annual Ridership 2015	% Change vs. 2015
Total Rail Ridership	86.49	86.28	0.2% ▲
<i>East of Hudson</i>	<i>84.80</i>	<i>84.53</i>	<i>0.3% ▲</i>
Harlem Line	27.72	27.59	0.5% ▲
Hudson Line	16.60	16.48	0.8% ▲
New Haven Line	40.48	40.46	0.04% ▲
<i>West of Hudson</i>	<i>1.69</i>	<i>1.75</i>	<i>-3.5% ▼</i>
Port Jervis Line	1.01	1.04	-3.2% ▼
Pascack Valley Line	0.68	0.71	-3.9% ▼
Connecting Services	.58	.55	3.8% ▲
Hudson Rail Link	.38	.38	1.5% ▲
Haverstraw-Ossining Ferry	.13	.11	10.8% ▲
Newburgh-Beacon Ferry	.07	.06	4.3% ▲
Total MNR System Ridership	87.07	86.83	0.3% ▲

Major Factors Affecting Ridership

1. **STRONG REGIONAL ECONOMY**

- NY City Non-Agricultural employment increased 2.8% during CY 2016
- Financial Activities employment increased 1.3%
- Professional and Business Services employment increased 3.4%
- Education and Health Services employment increased 7.0%
- Leisure and Hospitality employment increased 2.8%

2. **IMPROVED ON-TIME PERFORMANCE AND FLEET RELIABILITY**

- On-time performance for CY 2016 totaled 93.7%, up from 93.5% in 2015 and above the railroad's goal of 93%. The Hudson Line performed at 95.0%, the Harlem Line performed at 94.6% and the New Haven Line at 92.1%.
- The acquisition of the M8s on the New Haven Line has resulted in the replacement of all the M4 and M6 rail cars and virtually all of the M2s, which has led to the best mechanical performance in MNR's history. The strong fleet availability has meant there were train seats for 99.5% of all Metro-North customers in 2016.
- Substantial improvements to service reliability come at a time when ridership is the highest in Metro-North's history.

3. **IMPROVED CUSTOMER SATISFACTION**

- Overall MNR East of Hudson customer satisfaction scores improved by 7 points in 2016, to 90%. These scores increased significantly as the railroad continued to rebound from a challenging period which had adversely impacted customer perceptions of its performance.
- Satisfaction among West of Hudson AM Peak customers improved by a point to 83%.

4. **SEVERE WINTER WEATHER/SERVICE DISRUPTIONS**

- Ridership was impacted by the system-wide shut down of service due to a January 23rd winter storm. The estimated impact of this shut-down was approximately 40,000 fewer rides.
- Also contributing to lower ridership was the May 17th fire under the Park Avenue Viaduct which resulted in approximately 275,000 fewer rides.
- West of Hudson ridership was adversely impacted by the September 29th Hoboken Terminal Derailment (ten days—9/29-10/9—with no service to/from Hoboken Terminal), which resulted in approximately 35,000 fewer riders.

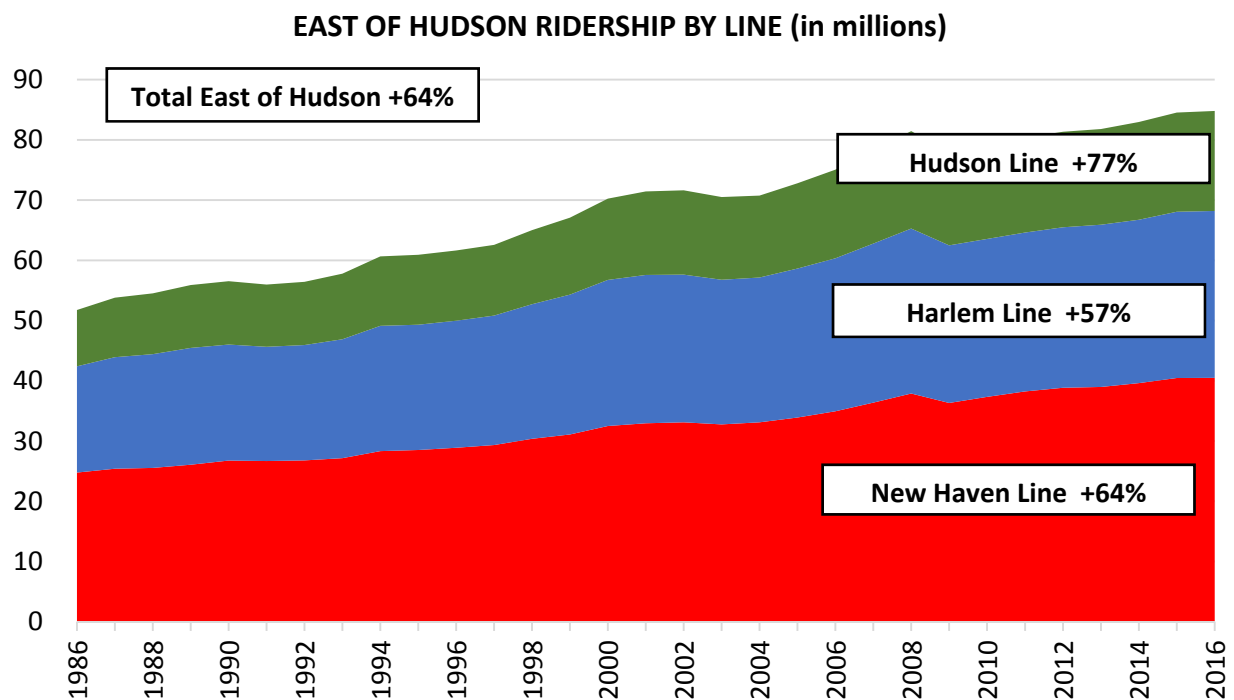
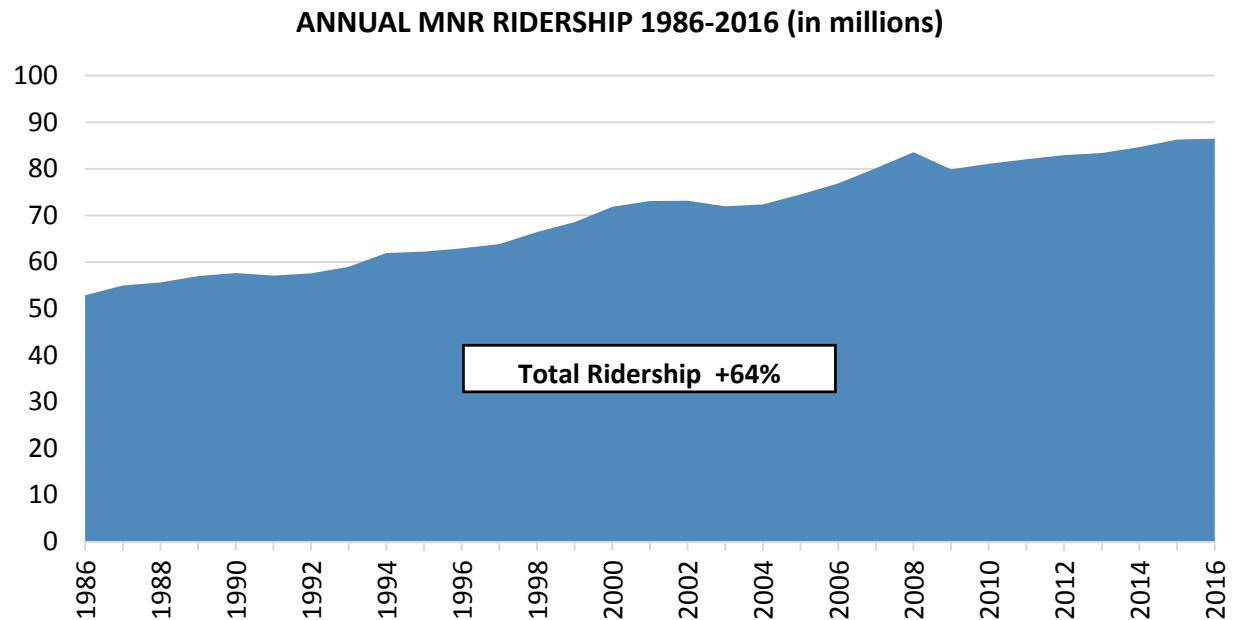
5. **OFF-PEAK RIDERSHIP**

- Based on GCT passenger counts, off-peak ridership results have been mixed, with increases during the weekday off-peak period and decreases on weekends.
 - Weekday Off-Peak +1.9% above 2015
 - Weekend ridership -1.2% (Saturday -1.3%, Sunday -1.1%) below 2015

Long-Term Ridership Trends

Ridership Trends by Line

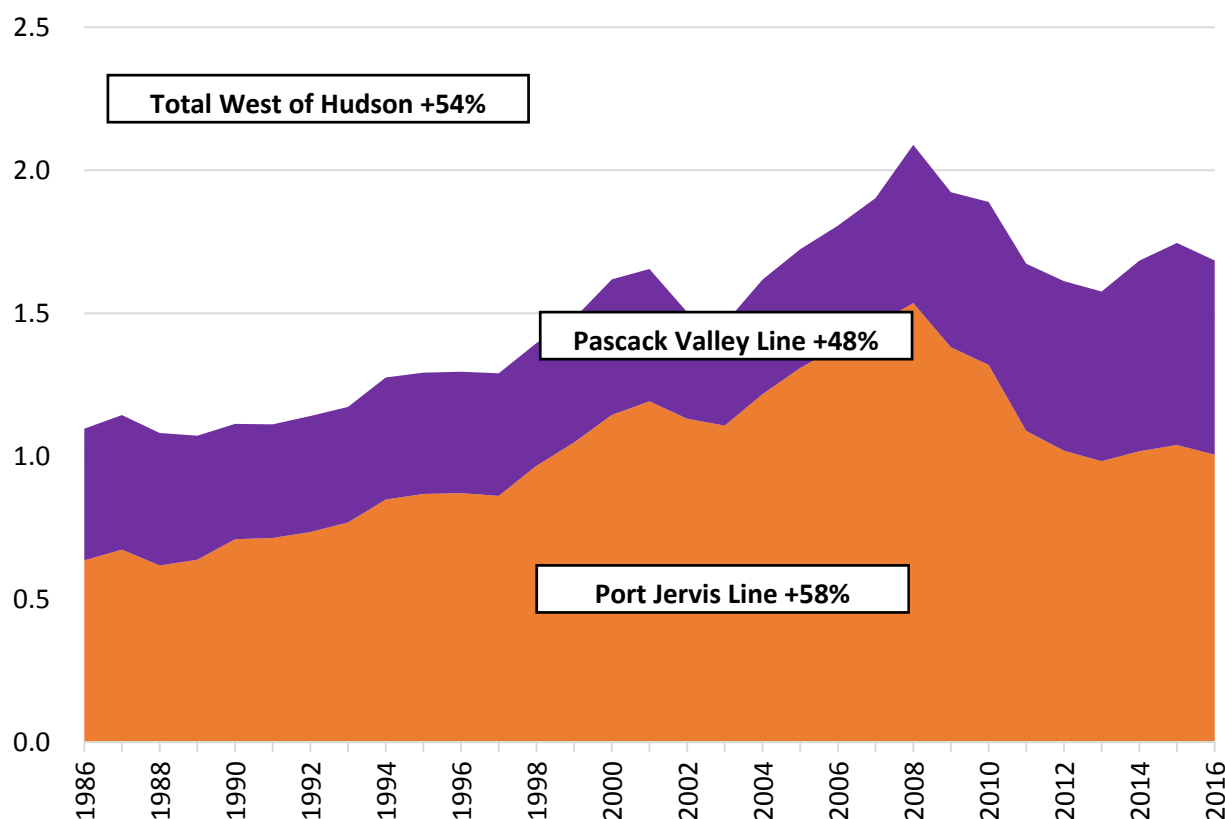
- System wide ridership over the past 30 years has increased by 64%.



East of Hudson

- Total East of Hudson ridership has increased by 64% from 51.8 million in 1986 to 84.8 million in 2016, an increase of over 33 million annual rides.
- The fastest-growing segments have been the Hudson intermediate (+236% since 1986) and Harlem intermediate (+197% since 1986)

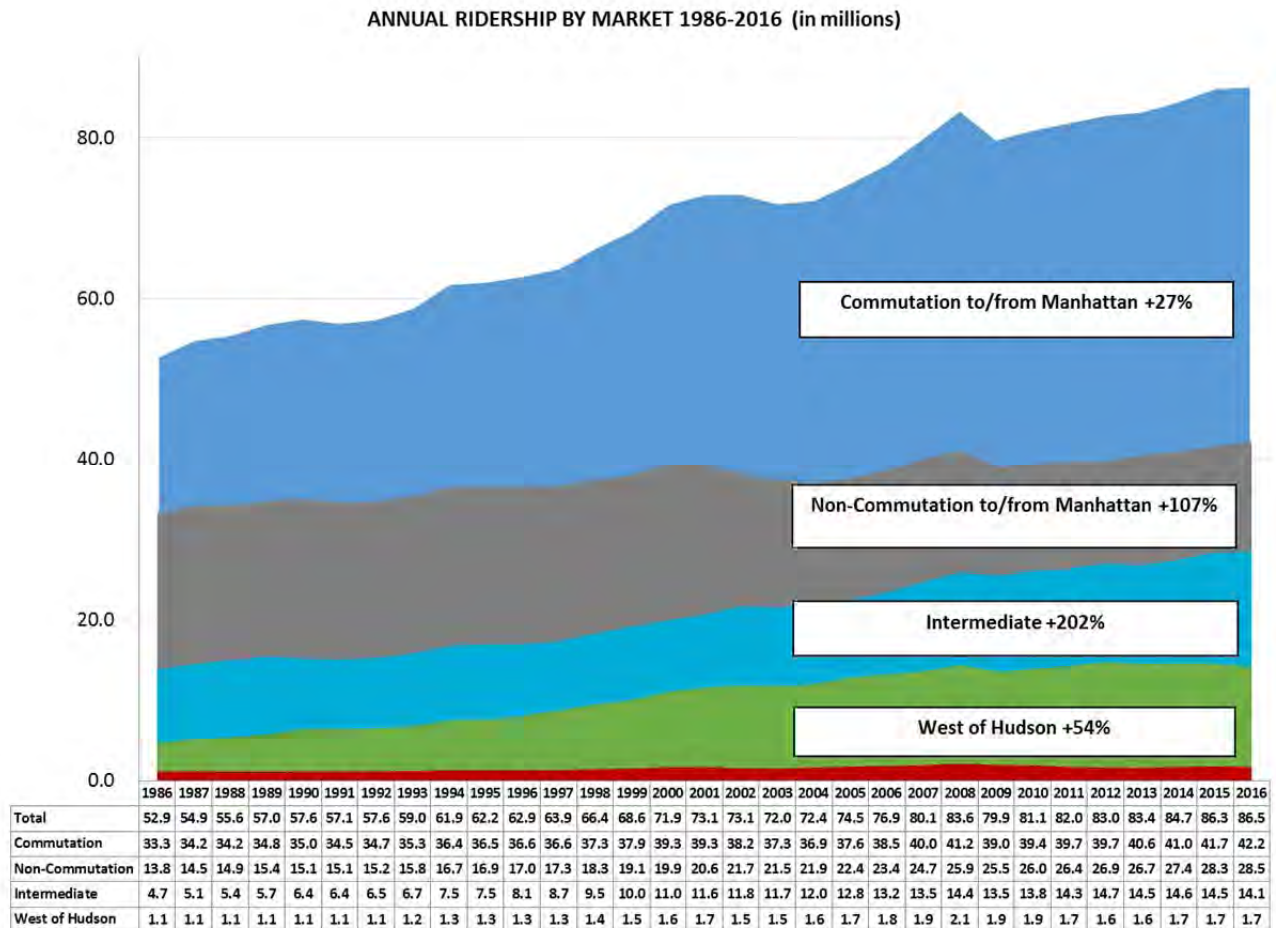
WEST OF HUDSON RIDERSHIP BY LINE (in millions)



West of Hudson

- Total West of Hudson ridership has increased by 54% from 1,097,000 annual rides in 1986 to almost 1.7 million annual rides in 2016. However, ridership is still 400,000 less than the record year in 2008, due to the combined impact of the regional economic recession and the adverse impacts of Hurricane Irene and Superstorm Sandy.
- West of Hudson ridership decreased during the past year. Both lines were adversely impacted by the September 29th Hoboken Terminal Derailment (no service operated to/from Hoboken Terminal for ten days, from 9/29 to 10/9). During CY 2016, Pascack Valley Line ridership decreased by 4% while Port Jervis Line ridership decreased by 3%.
- Port Jervis Line ridership has increased by 58% since 1986 (i.e., from 600,000 annual rides to over 1.0 million annual rides) but has decreased by 35% since 2008.
- Pascack Valley Line ridership also has increased by 48% since 1986, with most of this increase occurring after the implementation of weekday off-peak and weekend service in 2007.

Ridership Trends by Market



- Initially, ridership growth was broad-based, with significant ridership growth occurring in all market segments.
- However, since the early to mid-1990's, the fastest growth has occurred in Non-Commutation and Intermediate markets:
 - Non-Commutation to/from Manhattan (+88% since 1990)
 - Intermediate (+121% since 1990)
- This growth is due largely to a combination of targeted marketing, service, and fare policy initiatives implemented over many years, as well as significant growth in suburban employment, especially in White Plains and Stamford.

Examples of targeted Intermediate markets which have experienced significant ridership growth include the following:

- Bronx-Lower Westchester (e.g., Fordham to White Plains)
 - Lower Westchester-Connecticut (e.g., Mount Vernon East to Greenwich/Stamford)
 - Intra-Connecticut (e.g., East End New Haven Line to Greenwich/Stamford)
- In sharp contrast, Commutation ridership to/from Manhattan, which historically has been MNR's core market, has increased by only about 21% since 1990 and now constitutes less than half of total MNR rail ridership (49% in 2016 compared to 67% in 1984).

Market and Ridership Trend Analysis (2016 vs. 2015)¹

Commutation to/from Manhattan

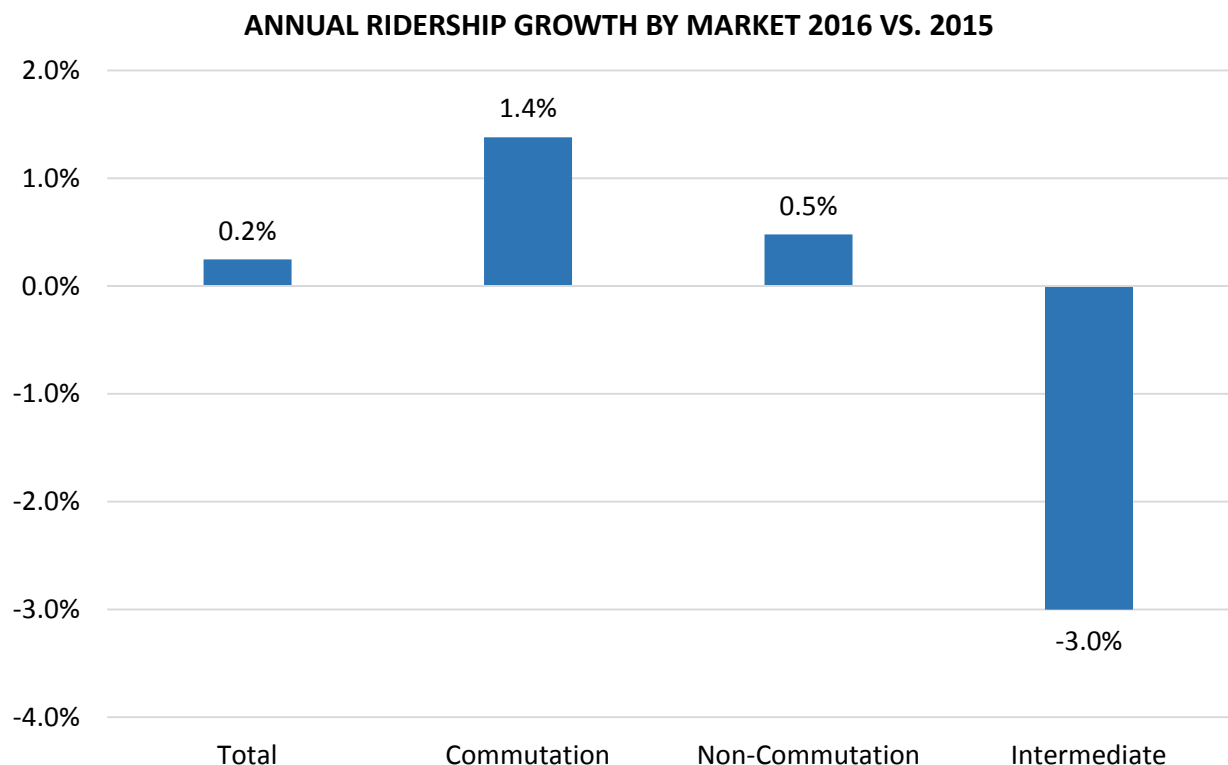
- Commutation ridership to/from Manhattan increased 1.4%, reflecting a continuation of the strong regional economic growth (i.e., a 2.8% increase in total New York City employment, with larger increases in Professional and Business Services, Education and Health Services and Leisure and Hospitality employment).

Non-Commutation to/from Manhattan

- Non-Commutation ridership to/from Manhattan increased 0.5%, reflecting the safe and reliable service during CY 2016.
- Weekday off-peak ridership increased by 1.9%

Intermediate

- Total Intermediate ridership decreased 3.0%:
 - Intermediate Commutation ridership decreased 3.9%
 - Intermediate Non-Commutation ridership decreased by 2.2%
- This trend is in sharp contrast to the rapid historical ridership growth in this market, and may be due to lower gasoline prices, which, combined with the shorter distance of intermediate trips, encourages greater travel by auto.



¹ Data is based on a combination of ticket sales and allocated fall passenger counts

Trends by Line/Segment and Branch

East of Hudson

- Record ridership increased on all three lines, with the Hudson Line increasing at the fastest rate (+0.8%).
- Ridership increases occurred on most of the major line segments, with modest increases occurring on the Inner New Haven (+1.8%), the Lower Hudson (+1.3%), and the Lower Harlem (+1.6%).
- The largest ridership increases occurred on Bronx portions of both the Harlem (+4.8%) and Hudson (+3.6%) lines. These large increases occurred in both the Commutation and Non-Commutation markets to/from Manhattan.

West of Hudson

- Port Jervis Line ridership decreased 3.2%.
- Pascack Valley Line ridership decreased 3.9%.

ANNUAL RIDERSHIP BY LINE/SEGMENT (In Millions)

Line/Segment	Annual Ridership 2016	Annual Ridership 2015	% Change vs. 2015
Hudson Line	16.60	16.48	0.8%▲
Bronx (Hudson)	1.24	1.20	3.6%▲
Lower Hudson	8.34	8.23	1.3%▲
Upper Hudson	5.02	5.00	0.6%▲
Intermediate	2.00	2.05	-2.5%▼
Harlem Line	27.72	27.59	0.5%▲
Bronx (Harlem)	1.76	1.68	4.8%▲
Lower Harlem	14.83	14.60	1.6%▲
Upper Harlem	6.71	6.71	0.0%●
Wassaic Branch	0.47	0.48	-2.4%▼
Intermediate	3.95	4.12	-4.1%▼
New Haven Line	40.48	40.46	0.04%▲
Inner New Haven *	14.63	14.36	1.8%▲
Outer New Haven *	15.69	15.72	-0.2%▼
New Canaan Branch *	1.38	1.39	-0.6%▼
Danbury Branch *	0.50	0.50	0.5%▲
Waterbury Branch *	0.12	0.13	-1.6%▼
NY Intrastate Intermed.	2.43	2.41	1.1%▲
Interstate Intermediate	1.33	1.40	-5.1%▼
CT Intrastate Intermed.	4.40	4.56	-3.6%▼
Port Jervis Line	1.01	1.04	-3.2%▼
Pascack Valley Line	0.68	0.71	-3.9%▼

Legend: ▲ increase; ▼ decrease; ● no change * Includes travel to/from Manhattan

2017 Outlook

- Metro-North is projecting continued ridership growth in 2017 despite the MTA and CDOT fare increases being implemented over the past few months
- 2017 total annual Metro-North system ridership is projected to increase 1.2% to over 88 million (this forecast includes the impact of the March 2017 MTA fare increase of approximately 4.0%).
- Ridership increases are projected to occur in all markets and on all lines, with the largest growth projected to continue in the Non-Commutation and Intermediate markets.

Appendix

Additional ridership statistics are provided in an online appendix. Listed as an exhibit within the April 2017 Metro-North and LIRR Committee materials, the appendix is available at:

<http://web.mta.info/mta/news/books/>

MTA Metro North Railroad



Procurement & Material Management Inventory Report 2016

Mission



The Material Management and Storeroom Operations subgroup of the Procurement and Material Management Department, is tasked with the planning, storage, control and distribution of all inventory material at MNR's storeroom locations. The material stored includes various railcar parts, equipment and support materials.

The subgroup supports and promotes the corporate objective of providing an efficient and safe service to Metro-North's customers by ensuring the appropriate levels of inventory to facilitate scheduled and unscheduled maintenance and repairs, and by working closely with both the Procurement groups and the Operations Division on projected needs and overseeing accurate efforts in forecasting inventory.

Major Efforts and Initiatives (2016)

Strategic Inventory Planning & Procurement

In 2016, Metro-North's Procurement & Material Management Department continued with initiatives begun six years ago to improve service to its customers. These initiatives focused on intensive monitoring of KPI's, and use of our state-of-the-art forecasting software to achieve service at the lowest cost of inventory investment. Through this effort, customer service achieved a service level of 98.3%. This was all accomplished simultaneously with a new fleet growth, increased Reliability Centered Maintenance, (RCM) efforts, and increased material needs for enhanced infrastructure hardening involving continuous right-of-way improvements.

The P&MM Department as well as the MofW Material Management Unit continued building on the accomplishment previously achieved through the specific initiatives in the 2016 Action Plan. The following charts and graphs illustrate the continued positive nature of the efforts undertaken.

2016 Action Plan Summary

•Strategic Inventory Forecasting

Coinciding with, and supplementing Strategic Procurement initiatives, the Algorithmic Forecasting System continued the task of "right-sizing" the inventory and managing growth. This system has given MNR the capability to manage highly volatile items ensuring availability of critical parts and appropriate safety stock levels while minimizing overstocking. This application has decreased forecasting errors, increased service levels to internal operations customers and was critical in the identification of a reduction plan for stocking of our retiring fleet. The forecasting system is instrumental in minimizing MNR's growth of inventory while still achieving high service levels. In 2016 our growth overall was 5% over 2015, where M8 material was brought in to support fleet maintenance.

•Utilized Forecasting system to identify Multi-Year Service Part Needs for long-term contracts

Coinciding with centralized procurement initiatives, Material Management successfully continued creation of forward forecasts in an interdepartmental collaboration to minimize stocking, reduced administrative lead-time and increase availability. The effort has continued to provide the roadmap for expansion and a dedicated TEAM continued effort through 2016.

•Improve Accuracy and Service

At year end 2016, an inventory cycle count accuracy rate of 99.9% was achieved on \$90M counted. Inventory cycle count accuracy rate represents the system count vs. the on-the-shelf count.

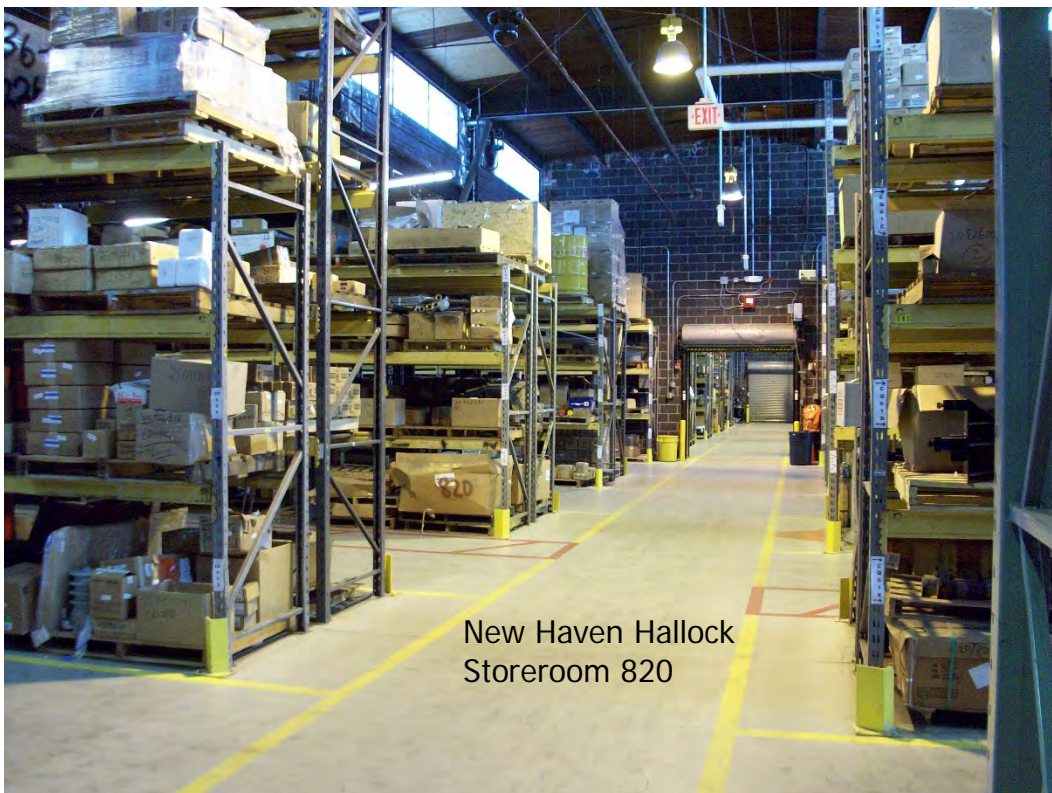
The out-of-stock rate for service parts, which is the inverse of service level, reached an all time low of 1.5% on 38,272 inventory items. This represents the percent of items in which stock is not available for potential demand.

Further development of the Executive Dashboard software was completed, which provides drillable KPI reporting at managers desktops, thereby eliminating manually generated reporting.

2016 Detailed Accomplishments 2017 Goals

Challenge	Plan	2017 Goals	2016 Detailed Accomplishments
Right-size Stock Inventory investment to support service level and budgetary goals for MofE and MofW operations.	<ul style="list-style-type: none"> • Continue expanded use of Smart Software to proactively forecast future needs. • Provide method for strategic look-ahead forecast to allow for multi-year contract solicitation. • Collaborate with internal customers to improve administrative Lead-time. • Support MofW initiatives for centralized management of inventory. • Meet collaboratively with customer to review ongoing requirements. • Update Repair and Return expediting process. 	<ul style="list-style-type: none"> ➤ Maintain high level of service through aggressive monitoring of Service levels and Fill Rates/backorders. ➤ Work with team to leverage strategic look-ahead forecasting generating ten additional long-term contracts. ➤ Continue M-8 fleet material ramping to support availability. ➤ Enhance expediting process ➤ Update Universal vendor contact directory with monthly contact to synchronize open orders. ➤ Move storerooms at New Haven into the new CDW facility, including ASRS. (See next photo). ➤ Move Croton-Harmon support shop storeroom to swing space. (See next photo). ➤ Work with MofE to develop internal PO process ➤ Automate replenishments in system using enhanced PIES system. 	<ul style="list-style-type: none"> ➤ Target R&R service level and associated vendor performance for systematic improvement and incorporate into vendor performance studies. ➤ Evaluate and expand R&R pool stock to better support changing demand ➤ Expand breadth and depth of executive dashboard view to incorporate the replacement of existing manual reporting. ➤ Expand metrics of Plan against actual on Production consumption to include Project MofE area. ➤ Automation of Vendor Performance Report Cards/Letters and increase vendor's studied by 10% ➤ Desktop tools updated and new ones established for P&MM
Optimize Inventory for Inactive and Excess	<ul style="list-style-type: none"> • Determine disposition of inactive material. • Collaborate with internal customers in validation of excess/inactive stock material for final disposition. • Continue to use Forecasting system to identify excess and implement plan for right-sizing levels. 	<ul style="list-style-type: none"> ➤ Continue efforts in identifying disposal of inactive and excess inventory allowing for space reclamation. ➤ Readjust demand forecasts for items shared between retiring fleet and remaining fleet minimizing spend. ➤ Identify items with expirations life to document FIFO processes and ensure shelf-life items are best used and discarded if not. This will insure expired inventory does not affect repairs or operations. 	<ul style="list-style-type: none"> ➤ Continue efforts in identifying disposal of inactive and excess inventory allowing for space reclamation on the Harmon Campus. ➤ Readjust demand forecasts for items shared between retiring fleet and remaining fleet minimizing spend. ➤ Purge retired M-4 & M-6 exclusive inventory in New Haven.

Both of these storerooms will be moving into different facilities this year. Harmon support shop is moving into swing space and Hallock storeroom is moving into the new Central Warehouse next to the CCO shop in New Haven.

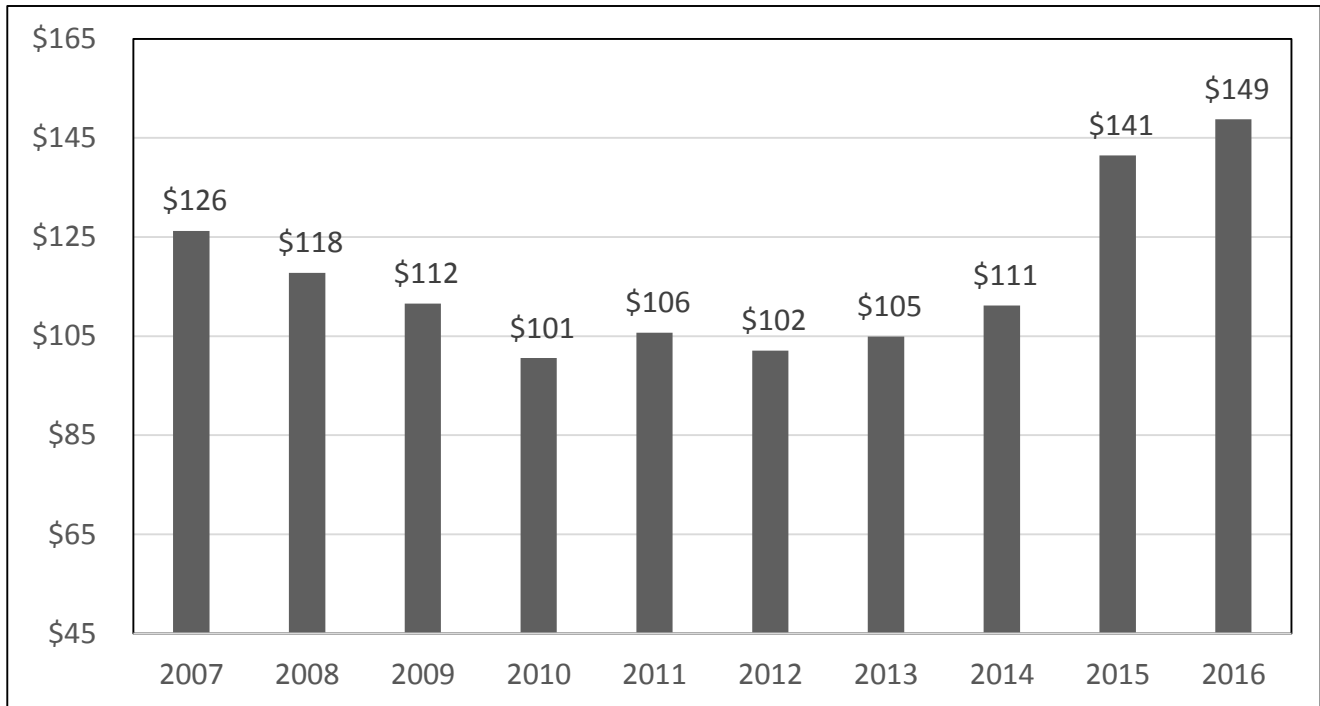


Inventory Service Level

Year		Service Level
2016		98.3%
2015	↑	98.9%
2014		98.7%
2013		98.3%
2012		97.8%
2011		97.7%
2010		97.0%
2009		96.8%
2008		95.9%
2007		96.6%

Service level is a performance measurement goal of the percent of time a part is available for use when requested by the internal customer. The MNR Service Level goal for 2016 fleet support was 98%. Procurement & Material Management has exceeded that goal by .3%.

Total Historical Inventory Trends (Constant* 2016 \$'s) In Millions

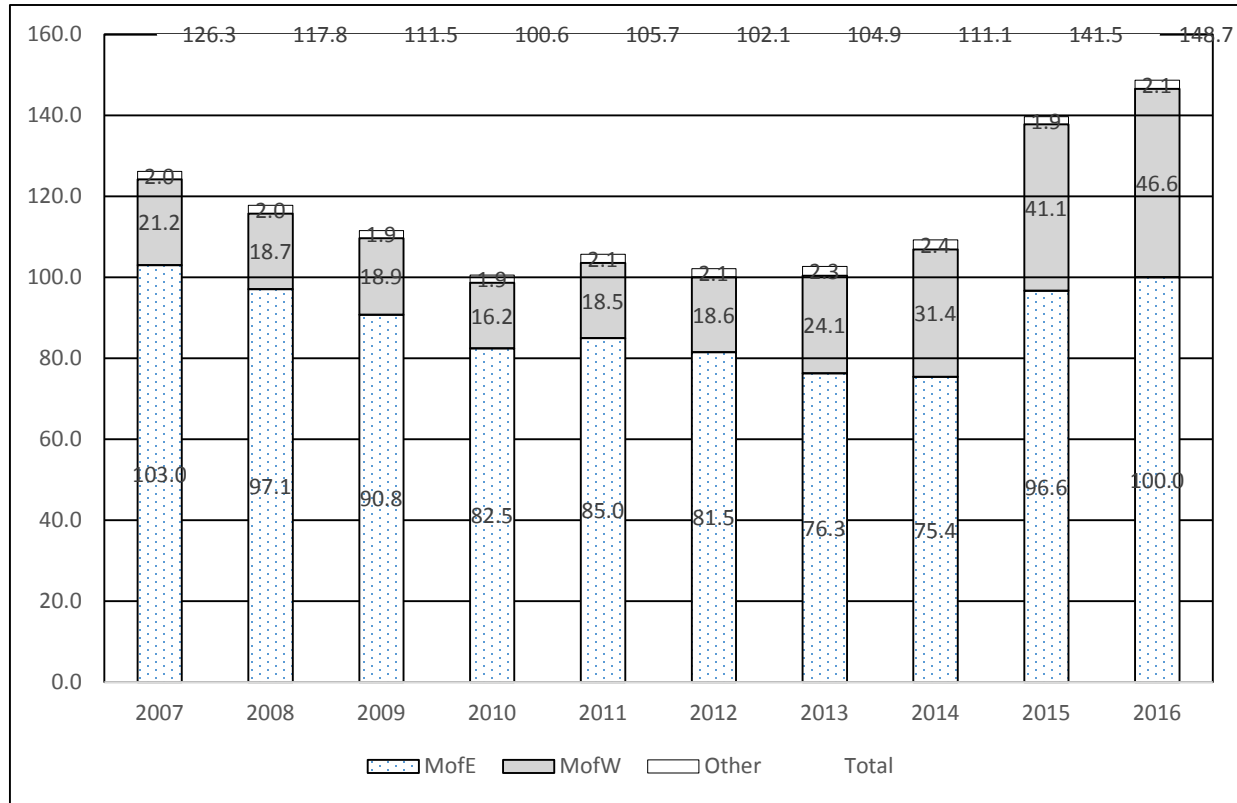


Inventory levels have continued to trend upward since 2012 to the current \$149M level.

The 5% increase in 2016 is due primarily to MofW and MofE project material on-board that will begin to be utilized in 2017. The M8 fleet maintenance material will also be added over the next two years, which will increase the coming year's overall inventory.

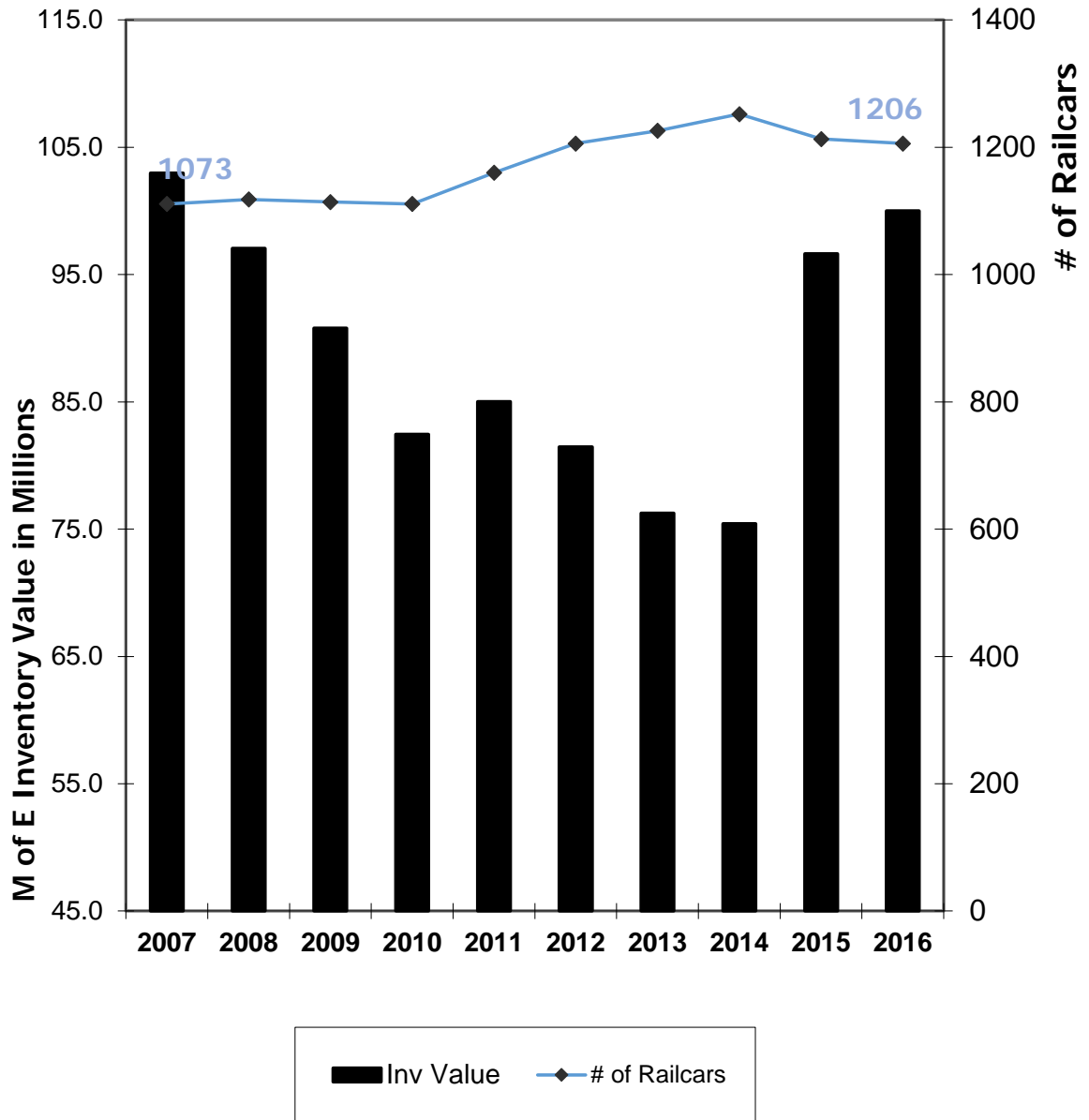
*Constant dollars are adjusted for inflation.

Inventory By MTA Category (Constant 2016 \$'s) In Millions



The graph illustrates the further dissection of inventory value by the three major MTA/MNR categories monitored. Values are: MofE (\$100.0M), which experienced a 3% growth in 2016 compared to 2015 due to repair and return float and program work; MofW (\$46.6M) experienced a 5% increase due in major part preparations for track work. The third category, Other, experienced a slight increase primarily due to dual season uniforms for conductors.

**MofE Inventory Value vs # of Railcars
(Constant 2016 \$) in millions**



In closer examination of the MofE category trend, the graph illustrates the success with the overall decline in MofE inventory since 2007 ending in 2014. In 2015, a \$20M infusion of Capital spare material was received to support CDOT M-8's. The increase in 2016 was due to the purchase of material to support repair and return pool supplement and the purchase of fleet campaign material.

2017 1st Quarter Maintenance of Way Division

Track, Structures, Stations & Facilities

Metro-North Railroad



March 31, 2017

2017 Track & Structures Work

- **Production Tie Replacement (42,000 ties planned)**
 - Projected April 1 start
 - Hudson – 19,000 planned, 170 ties, (1% complete)
 - New Haven – 7,000 planned, (0% complete)
 - Port Jervis – 16,000 planned, (0% complete)
 - Total 2017 to date – 170 ties completed , (1% complete)
- **Mini Tie Gang**
 - Priority Locations - TBD
- **Rail Vac**
 - GCT – 252 ties
 - Hudson – 131 ties
 - Harlem – 75 ties
 - New Haven – 52 ties
 - Total 2017 to date – 510 ties



2017 Track & Structures Work

- Rail Replacement (9.9 miles planned)
 - Hudson – 1.4 miles planned, (0% Complete)
 - Harlem – TBD
 - New Haven – 7.0 miles planned, 2.8 miles complete, (28% complete)
 - Port Jervis – 1.5 planned, (0% Complete)
 - Total 2017 to date – 2.8 miles, (28% complete)
- Surfacing (94 miles planned)
 - GCT – 4.0 miles planned, 4.0 complete, (100% Complete)
 - Hudson – 46.3 miles planned, 2.8 miles complete, (3% Complete)
 - Harlem – 11.1 miles planned, 2.6 miles complete, (5% Complete)
 - New Haven
 - NY – 15.7 miles planned, 4.6 miles complete, (5% Complete)
 - CT – 16.9 miles planned, 3.5 miles complete, (4% Complete)
 - Total 2017 to date – 17.5 miles (19% Complete)



2017 Track & Structures Work

- Switch Renewal (34 switches planned)
 - GCT – 7 switches planned, 7 switches complete, (100% complete)
 - Hudson – 8 switches planned, 1 switch complete, (3% complete)
 - Harlem – 2 switches planned, 2 switches complete, (100% complete)
 - New Haven – 17 switches planned, 2 switches complete, (6% complete)
 - Total 2017 to date – 12 switches, (35% complete)
- Grade Crossing – Track Renewal(17 crossings planned)
 - Hudson Line – 1 crossings planned, (0% complete)
 - Harlem Line – 5 crossings planned, (0% complete)
 - New Haven
 - Danbury – 6 planned (0% complete)
 - Waterbury – 5 planned (0% complete)
 - Total in 2017 – (0% Complete)



2017 Track & Structures Work

- Welds (1,600 joints planned)
 - Hudson – 179 joints
 - Harlem – 83 joints
 - New Haven – 138 joints
 - Port Jervis – 0 joints
 - Total 2017 to date – 400 joints
- Loram Rail Grinder (37.3 miles planned)
 - Hudson – 5.4 miles planned, (0% complete)
 - Harlem – 20.0 miles planned, (0% complete)
 - New Haven - CT 11.9 miles planned, (0% complete)
 - Total 2017 to date – (0% complete)



2017 Track & Structures Work

- **GCT Station Track Rehabilitation**

- Track 11

- 2,146' rail, 96 bracket ties, 1,094 block ties

- Track 41

- TBD



2017 Track & Structures Work

- **Sperry Rail (2x per year)**
 - 1st run - field survey 27% complete
 - Defects corrected: NY- 14, CT - 23
- **Ensco Geometry (2x per year)**
 - Contracted for 6 tests over 3 years
 - 1st run – Survey completed March 2017
- **TSAVe Geometry/GRMS Car**
 - Schedule TBD



2017 Track & Structures Work

■ Overhead Bridge Program

- Typical repairs include replacing deteriorated members, rebuilding deteriorated bridge seats, repairing abutment walls, repairing load bearing supports,/timber deck replacements.
- New Haven
 - Broadway Steel Repairs (MP 21.91) (25% complete)
 - Central Avenue Steel Repairs (MP 23.50) (25% complete)
 - Williams Street (MP 25.39) (15% complete)
- Hudson
 - Ludlow Street (MP 14.43) (40% complete)



2017 Track & Structures Work

■ Bridge Timbers (CT only)

- NH 29.48 Sachem Road T3 (26 ties)
- NH 29.68 Luke's Crossing T2 (34 ties)
- NH 33.75 Elm Street T3 (52 ties), T2 (52 ties)
- NH 40.89 Franklin (Spring) Street T1 (43 ties), T2 (43 ties)
- NH 41.28 Washington & Main T2 (96 ties)
- NH 41.96 Osborne Ave T2 (34 ties)
- NH 49.66 Mill River T4 (63 ties)
- NH 56.20 East Main Street T2 (56 ties)
- NH 56.46 Hallett Street T1 (43 ties)
- NH 59.96 East Main Street T3 (39 ties)
- NH 62.94 Beardsley Ave T1 (30 ties)
- NH 70.36 Washington Ave T2 (44 ties), T4 (44 ties)
- WB 26.18 Washington Ave (63 ties)



2017 Track & Structures Work

■ S-Program (New Haven – CT only)

- Canal St. (MP 33.41)) – Steel repairs/masonry repairs
- New Creek Rd. (MP 47.15) – Steel repairs/masonry repairs
- Hallett St. (MP 56.46) – Steel repairs/masonry repairs (100% complete)
- Seaview Ave. (MP 56.77) – Steel repairs/masonry repairs
- West Broad St. (MP 58.72) – Steel repairs/masonry repairs (100% complete)
- Main St. (MP 59.01) – Steel repairs/masonry repairs
- East Main St. (MP 59.96) – Steel repairs/masonry repairs
- Cos Cob Bridge (MP 29.90) – Steel repairs/masonry repairs
- Saga Bridge (MP 44.32, Track 2) – Steel repairs/masonry repairs (75% complete)
- Devon Bridge (MP 60.42, Track 2) – Steel Repairs/masonry repairs (80% complete)

■ Railroad Maintenance Memorandum Items (RMM, New Haven - CDOT)

- Completed 25 various (minor) steel //or concrete repairs



2017 Track & Structures Work

■ Timber Replacement Program (NY only)

- Harlem - Titicus River (MP 46.26, T1)
- New Haven - Westchester Avenue (MP 25.54, T2, T1, T3)
- Port Jervis - Cattle Pass (MP 38.98 T1)

■ Direct Fixation Fasteners, Pad & Trainshed Repairs

- Park Avenue Viaduct – replaced approximately 2256 fasteners with new fastening system
- GCT Trainshed
 - Replaced 108 direct fixation pads on 3 tracks
 - Repoint circular arch brick vents (Track 3/4, MP 1.12 – MP 2.56)
 - Completed repointing brick tunnel (Track 3/4, MP 1.12 – MP 2.56)



2017 Track & Structures Work

■ Steel Repair Program

- Hudson Line
 - Wells Ave. (MP 15.31) – Masonry repairs
- Harlem
 - Bronx River (MP 14.57) – Steel repairs
- New Haven
 - Highland Ave. (MP 25.83) – Masonry repairs
 - North Main St. (MP 25.93) – Steel/Masonry repairs (completed)
- Port Jervis
 - Ramapo River (MP 32.06JS) – Steel repairs
 - Stream (MP 44.80JS) – Wingwall repairs
 - Shea Rd. (MP 63.04JS) – Concrete repairs on arch
 - NY O&W RR – Floorbeam repair



■ Bridge Flag Repairs (Harlem, Hudson New Haven-NY/Port Jervis Line)

- Completed 34 various (minor) steel //or concrete repairs

2017 Track & Structures Work

■ Tomac & Soundbeach Contractor Support

- Tomac Bridge (Track 1&2) – 100% complete
 - Removed bridge timbers/rail
 - Contractor installed a temporary superstructure
 - Installed new rail/timbers on temporary superstructure
- Soundbeach Bridge (Track 1&2) – 100% complete
 - Fabricated/installed steel ballast retainers
 - Installed bridge timbers

■ Graffiti Removal Program

- Hudson & Harlem - cleaned graffiti off various buildings, bridges, retaining walls & rock cuts

■ Right of Way Fence

- Installed 1,706 ft. of fence





Long Island Rail Road

INFORMATION

ITEMS



Long Island Rail Road

Final Review of 2016 Operating Budget Results

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
SUMMARY**

The MTA Long Island Rail Road's financial performance in comparison to the 2016 Final Estimate was favorable. The non-reimbursable net deficit of \$(1,017.8) million was favorable to the 2016 Final Estimate by \$194.6 million. This improvement in the final result was due to the fact that actual 2016 expenses before Depreciation, Other Post Employee Benefits, GASB 68 Pension Expense Adjustment and Environmental Remediation of \$1,376.3 million were \$14.6 million lower than the Final Estimate. Total Operating Revenue of \$768.0 million was \$0.9 million lower than the Final Estimate. Farebox revenue accounted for \$712.3 million of total Operating Revenue, and other sources generated \$55.6 million.

In order to achieve these positive results, the LIRR subjected key cost centers to intensive monitoring and control. It accomplished this while simultaneously providing the resources necessary to provide a high level of operational performance.

Total Non-Reimbursable Revenues were \$0.9 million lower than the Final Estimate as a result of lower Other Operating Revenue, which was \$1.4 million unfavorable primarily due to lower advertising revenue, and Farebox revenue which was \$0.5 million higher than projected. Overall, ridership grew from 2015 to 2016 by 1.7 million customers or 1.9% and exceeded the Final Estimate by 0.1 million.

Total Non-Reimbursable Expenses Before Depreciation and Other were \$14.6 million lower than the Final Estimate as a result of several factors. Labor expenses of \$1,010.6 million were \$15.4 million lower than the estimate primarily due to the existence of vacant positions and associated fringe costs, lower OPEB Current payments, lower retiree sick payouts and higher Reimbursable Overhead, partially offset by higher right of way maintenance overtime.

Non-labor expenses of \$365.7 million were \$0.8 million unfavorable to the Final Estimate primarily due to higher legal claim reserves based on latest actuarial estimates. These results were partially offset by the timing of fleet modification work and Reliability Centered Maintenance activities as well as fewer rolling stock running repairs, corporate inventory adjustments and lower joint facilities expenses and various other maintenance and other operating contracts.

Depreciation, Other Post Employee Benefits, GASB 68 Pension Adjustment and Environmental Remediation of \$409.5 million were \$180.9 million lower than the estimate. GASB 68 Pension Adjustment was \$181.2 million lower than the Final Estimate primarily due to a misinterpretation of how this non-cash item should have been reflected on the statement of operations in the Final Estimate. Depreciation was \$2.4 million and Environmental Remediation reserve was \$3.8 million below the Final Estimate. This was partially offset by Other Post-Employment Benefits which were higher than the Final Estimate by \$6.4 million based on the latest actuarial estimate.

From the year-end preliminary actuals to the final close, adjustments for GASB 68 Pension Adjustments, advertising, claims, joint facility maintenance, miscellaneous

inventory adjustments and Environmental Remediation were the only significant changes.

Total Reimbursable revenues and expenses were \$13.6 million higher than the Final Estimate primarily resulting from interagency reimbursements and capital project activity.

LIRR's Cash Deficit of \$(583.3) million was \$33.0 million lower than the Final Estimate. The cash variance can be classified as "real" or "timing". A timing cash variance will generally reverse itself in the following year so that the cumulative 2016-2017 impact is zero. A "real" variance occurs when that variance results in a financial impact over the financial plan period that is not offset in future year. Any variance that is not a timing variance is a real variance. The \$33.0 million variance consisted of a real favorable variance of \$15.0 million and favorable timing variance of \$18.0 million. Cash Receipts of \$1,097.9 million were higher than the Final Estimate by \$8.3 million, comprised of \$11.3 million in real variances and \$(3.0) million in timing variances. The real variance was due to favorable capital reimbursements resulting from higher project activity, interagency reimbursements, and Farebox revenue. The timing variance was primarily attributed to interagency reimbursements of Farebox Revenue and timing of advance Farebox Revenue sales.

Cash expenditures of \$1,677.4 million were \$28.5 million lower than the Final Estimate, comprised of \$7.5 million in real favorable variances and \$21.0 million in favorable timing variances. Favorable real variances are primarily attributed to lower payroll and associated fringe costs due to vacant positions, interagency reimbursements and lower retiree healthcare expenses as well as lower maintenance and other operating contracts. The timing variance is primarily attributed to Penn Station maintenance expenses, professional services and insurance.

The overall favorable 2016 financial performance reflects the LIRR's continued focus on maximizing scarce financial resources. Heading into 2017, the LIRR will continue to monitor its operations and cost structure in order to operate as cost efficiently as possible.

MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
EXPLANATIONS OF REVENUE AND EXPENSE VARIANCES
ACCRUAL BASIS

2016 Final Estimate vs. Actual

Non-Reimbursable

Revenue:

- **Farebox Revenue** was \$0.5 million above the estimate. Ridership of 89.4 million was 0.1% above estimate resulting in a ridership revenue increase of \$0.9 million, partially offset by lower than projected yield per passenger resulting in a decrease of \$(0.4) million.
- **Other Operating Revenue** was \$(1.4) million or (2.4)% lower than estimate primarily due to lower advertising, miscellaneous, rental and freight revenue. This was partially offset by higher special service revenues.

Expenses:

- **Payroll** was \$4.2 million or 0.8% below the estimate primarily due to the existence of vacant positions, lower retiree sick payouts and pay rates.
- **Overtime** was \$(2.7) million or (2.2)% above the estimate primarily due to higher maintenance and scheduled service overtime, partially offset by lower unscheduled service and weather-related overtime.
- **Health & Welfare** was \$0.9 million or 0.9% below the estimate due to the existence of vacant positions.
- **OPEB Current Payment** was \$4.5 million or 7.2% below estimate due to fewer retirees/beneficiaries than estimated.
- **Pension** was \$2.1 million or 1.5% below the projection. While total pension expense (non-reimbursable and reimbursable) is on plan, the estimated percentage of pension costs allocated to non-reimbursable was less than estimated.
- **Other Fringe Benefits** were \$0.3 million or 0.2% below estimate primarily due to lower FELA indemnity reserves.
- **Reimbursable Overhead** were \$6.1 million or 21.5% below estimate primarily due to timing of project activity.
- **Electric Power** was \$(1.2) million or (1.6)% above the estimate primarily due to higher rates and accrual adjustments.
- **Fuel** was \$(0.3) million or (2.0)% above the estimate due to higher rates.

- **Insurance** was \$(0.1) million or (0.6)% above the estimate due to higher property insurance, partially offset by lower liability insurance
- **Claims** were \$(12.2) million above estimate primarily due to latest actuarial estimates.
- **Maintenance and Other Operating Contracts** were \$2.4 million or 3.6% below estimate. This was primarily due to reversal of prior period accruals for Penn Station maintenance, lower maintenance expenditures in the Engineering Department and lower expenditures for parking facilities maintenance, TVM maintenance, JCC maintenance and Penn Station cleaning as well as timing of real estate lease payments.
- **Professional Service Contracts** were \$(0.4) million or (1.7)% above the estimate. This was primarily associated with higher expenses for rail grinding and track bed maintenance, partially offset by lower payments for planning studies consultants, MTA chargebacks, homeless outreach, medical services, postage and mail services, General Engineering Contracts and various other professional services.
- **Materials & Supplies** were \$10.6 million or 7.6% below estimate. The savings were primarily due to lower corporate inventory adjustments, higher reclaims of pool material, timing of non-recurring engineering expenses for on-board cameras, reliability centered maintenance activities (primarily C-3 activities) and fleet modifications (M-7 Drop Sash window and DE/DM gate unit), and lower running repair material usage for the Wheel Shop (lower use of M-3 wheel sets), partially offset by higher chargeouts of track material.
- **Other Business Expenses** were \$0.5 million or 3.2% below estimate primarily due to lower bad debt expense, printing expenses for timetables and higher restitution for property damage, partially offset by higher debit/credit card fees.
- **Depreciation** was \$2.4 million or 0.7% below estimate primarily due to a year-end review of capital assets.
- **Other Post Employee Benefits** were \$(6.4) million or (7.6)% above estimate reflecting the latest actuarial estimate and reserve adjustments.
- **GASB 68 Pension Adjustment** was \$181.2 million favorable primarily due to a misinterpretation of how this non-cash item should have been reflected on the statement of operations.
- **Environmental Remediation** was \$3.8 million below estimate due to latest reserve estimates.

The impact of 2016 results should not have a substantial impact on the 2017 accrued budget as many of the variances in 2016 are not expected to recur in 2017.

Reimbursable:

Total Capital and Other Reimbursements were higher than estimate by \$13.6 million or 4.1%. This was primarily due to higher West Side Yard and Vanderbilt Yard overbuild activity and higher interagency reimbursements. This was partially offset by slightly lower 5-Year Capital Program work.

2016 Adopted Budget vs. Actual

The MTA Long Island Rail Road's financial performance in comparison to the 2016 Adopted Budget was favorable. The net operating deficit of \$(1,017.8) million was \$117.7 million or 10.4% lower than was anticipated in the budget. The operating cash deficit of \$(583.3) million was \$159.2 million or 21.4% favorable to budget.

Non-Reimbursable:

Revenue:

- **Farebox Revenue** was \$9.7 million or 1.4% higher than budget, reflecting higher than anticipated ridership revenue of \$10.4 million, partially offset by lower yield per passenger of \$(0.6) million.
- **Other Operating Revenue** was \$1.3 million or 2.3% higher than budget primarily due to higher rental, miscellaneous, special services and freight revenue, partially offset by lower station privileges revenue.

Expenses:

- **Payroll** was \$12.4 million or 2.4% below budget primarily due to vacant positions, lower rates and retiree sick payments.
- **Overtime** was \$(7.0) million or (6.1)% above budget primarily due to higher maintenance, weather-related overtime and rates, partially offset by favorable vacancy/absentee coverage and unscheduled/scheduled service overtime.
- **Health & Welfare** was \$4.0 million or 4.0% below budget primarily due to lower headcount and rates.
- **OPEB Current Payment** was \$8.7 million or 13.1% below budget due to lower rates and fewer retirees/beneficiaries than estimated
- **Pension** was \$(11.5) million or (9.0)% above budget based on the final actuarial report.
- **Other Fringe Benefits** were \$5.9 million or 4.6% below budget due to lower Railroad Retirement Taxes caused by vacant positions and lower FELA indemnity reserves.
- **Reimbursable Overhead** were \$15.5 million or 82.4% below estimate primarily due to timing of project activity.

- **Electric Power** was \$15.7 million or 16.9% below budget due to lower rates and lower consumption, and the reversal of prior period payments.
- **Fuel** was \$4.2 million or 22.6% below budget due to lower rates.
- **Insurance** was \$2.0 million or 8.2% below budget primarily due to lower all agency excess liability premiums.
- **Claims** were \$(12.3) million above budget due to latest actuarial estimates.
- **Maintenance and Other Operating Contracts** were \$21.6 million or 25.2% below budget resulting from prior period accrual reversals for Penn Station maintenance and lower expenses for platform investments, safety/security initiatives, escalator and elevator maintenance and vegetation management.
- **Professional Service Contracts** were \$6.3 million or 19.7% below budget primarily due to timing of asset management consulting contracts and M7 propulsion consultant services.
- **Materials & Supplies** were \$45.3 million or 26.1% below budget. The favorable variance is primarily due to timing of fleet modifications (cameras, DE/DM gate unit) and reliability centered maintenance activities (M7 threshold, M7 propulsion and DE/DM ice to fire), corporate inventory adjustments and delayed security initiatives.
- **Other Business Expense** was \$(0.5) million or (3.1)% above budget due to higher bad debt reserves and higher debit/credit card fees, partially offset by higher restitution of property damage and miscellaneous other expenses.
- **Depreciation** was \$(6.5) million or (2.0)% above budget due to certain assets being fully depreciated.
- **Other Post Employee Benefits** were \$(13.1) million or (17.1)% above budget primarily due to revisions to prior actuarial estimates and reserve adjustments.
- **GASB 68 Pension Adjustment** was \$12.2 million favorable.
- **Environmental Remediation** was \$3.8 million below budget due to latest reserve estimates for environmental remediation.

Reimbursable:

Total Capital and Other Reimbursements were higher than budget by \$16.3 million or 4.8%. This was primarily due to higher West Side Yard and Vanderbilt Yard overbuild activity, higher interagency reimbursements and higher Department of Transportation reimbursements. This was partially offset by lower Operating Funded Capital and lower 5-Year Capital Program work.

MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
Accrual Statement of Operations by Category
2016 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

NON-REIMBURSABLE							
	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$702.622	\$711.894	\$712.347	\$9.725	1.4	\$0.453	0.0
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	54.339	57.004	55.613	1.274	2.3	(1.391)	(2.4)
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
Total Revenue	\$756.961	\$768.898	\$767.959	\$10.998	1.5	(\$0.939)	(0.1)
Expenses							
Labor:							
Payroll	\$518.383	\$510.224	\$506.029	\$12.354	2.4	\$4.195	0.8
Overtime	115.247	119.585	122.256	(7.009)	(6.1)	(2.671)	(2.2)
Health and Welfare	99.809	96.667	95.788	4.021	4.0	0.879	0.9
OPEB Current Payment	66.700	62.504	57.982	8.718	13.1	4.522	7.2
Pensions	126.855	140.400	138.326	(11.471)	(9.0)	2.074	1.5
Other Fringe Benefits	130.547	124.907	124.606	5.941	4.6	0.301	0.2
Reimbursable Overhead	(18.853)	(28.297)	(34.392)	15.539	82.4	6.095	21.5
Total Labor Expenses	\$1,038.688	\$1,025.990	\$1,010.595	\$28.093	2.7	\$15.395	1.5
Non-Labor:							
Electric Power	\$93.295	\$76.338	\$77.567	\$15.728	16.9	(\$1.229)	(1.6)
Fuel	18.483	14.025	14.305	4.178	22.6	(0.280)	(2.0)
Insurance	24.714	22.559	22.690	2.024	8.2	(0.131)	(0.6)
Claims	4.303	4.406	16.588	(12.285)	*	(12.182)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	85.474	66.318	63.924	21.550	25.2	2.394	3.6
Professional Service Contracts	32.110	25.367	25.800	6.310	19.7	(0.433)	(1.7)
Materials & Supplies	173.866	139.099	128.537	45.329	26.1	10.562	7.6
Other Business Expenses	15.761	16.780	16.246	(0.485)	(3.1)	0.534	3.2
Total Non-Labor Expenses	\$448.006	\$364.892	\$365.657	\$82.349	18.4	(\$0.765)	(0.2)
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$1,486.694	\$1,390.882	\$1,376.253	\$110.441	7.4	\$14.629	1.1
Depreciation	\$327.053	\$335.945	\$333.594	(\$6.541)	(2.0)	\$2.351	0.7
Other Post Employee Benefits	76.744	83.476	89.862	(13.118)	(17.1)	(6.386)	(7.6)
GASB 68 Pension Expense Adjustment	0.000	169.000	(12.175)	12.175	-	181.175	*
Environmental Remediation	2.000	2.000	(1.756)	3.756	*	3.756	*
Total Expenses	\$1,892.491	\$1,981.303	\$1,785.776	\$106.715	5.6	\$195.527	9.9
Net Surplus/(Deficit)							
<i>(Excluding Subsidies and Debt Service)</i>	(\$1,135.530)	(\$1,212.405)	(\$1,017.817)	\$117.713	10.4	\$194.588	16.0
<i>Cash Depreciation Adjustments</i>							
Depreciation	327.053	335.945	333.594	\$6.541	2.0	(\$2.351)	(0.7)
Operating/Capital	(32.412)	(15.671)	(14.885)	17.527	54.1	0.786	5.0
Other Cash Adjustments	98.383	275.872	115.808	17.425	17.7	(160.064)	(58.0)
Total Cash Conversion Adjustments	\$393.024	\$596.146	\$434.517	\$41.493	10.6	(\$161.629)	(27.1)
Net Cash Surplus/(Deficit)	(\$742.506)	(\$616.259)	(\$583.300)	\$159.206	21.4	\$32.959	5.3

Totals may not add due to rounding

Results are based on the preliminary close of the general ledger and are subject to review and adjustment.

Results are unaudited

MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
Accrual Statement of Operations by Category
2016 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

REIMBURSABLE								
	2016			Favorable/(Unfavorable) Variance				
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate		
				\$	%	\$	%	
Revenue								
Farebox Revenue	\$0.000	\$0.000	\$0.000					
Vehicle Toll Revenue	0.000	0.000	0.000					
Other Operating Revenue	0.000	0.000	0.000					
Capital and Other Reimbursements	330.688	333.374	346.939	16.251	4.9	13.565	4.1	
Total Revenue	\$330.688	\$333.374	\$346.939	\$16.251	4.9	\$13.565	4.1	
Expenses								
Labor:								
Payroll	\$109.608	\$104.637	\$97.858	\$11.750	10.7	\$6.779	6.5	
Overtime	26.807	34.178	38.638	(11.831)	(44.1)	(4.460)	(13.0)	
Health and Welfare	22.479	23.318	23.388	(0.909)	(4.0)	(0.070)	(0.3)	
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-	
Pensions	36.522	40.500	42.574	(6.052)	(16.6)	(2.074)	(5.1)	
Other Fringe Benefits	22.986	24.138	24.446	(1.460)	(6.4)	(0.308)	(1.3)	
Reimbursable Overhead	18.853	28.297	34.392	(15.539)	(82.4)	(6.095)	(21.5)	
Total Labor Expenses	\$237.255	\$255.068	\$261.297	(\$24.042)	(10.1)	(\$6.229)	(2.4)	
Non-Labor:								
Electric Power	\$0.635	\$0.965	\$1.047	(\$0.412)	(64.9)	(\$0.082)	(8.5)	
Fuel	0.000	0.000	0.000	0.000	-	0.000	-	
Insurance	8.269	7.401	6.366	1.903	23.0	1.035	14.0	
Claims	0.000	0.000	0.000	0.000	-	0.000	-	
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-	
Maintenance and Other Operating Contracts	26.010	24.392	21.231	4.779	18.4	3.161	13.0	
Professional Service Contracts	3.768	1.397	4.290	(0.522)	(13.9)	(2.893)	*	
Materials & Supplies	54.439	43.339	51.538	2.901	5.3	(8.199)	(18.9)	
Other Business Expenses	0.312	0.812	1.169	(0.857)	*	(0.357)	(44.0)	
Total Non-Labor Expenses	\$93.433	\$78.306	\$85.642	\$7.791	8.3	(\$7.336)	(9.4)	
Other Expense Adjustments:								
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	
Total Expenses Before Depreciation	\$330.688	\$333.374	\$346.939	(\$16.251)	(4.9)	(\$13.565)	(4.1)	
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	
Other Post Employee Benefits	0.000	0.000	0.000	0.000	-	0.000	-	
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-	
Total Expenses	\$330.688	\$333.374	\$346.939	(\$16.251)	(4.9)	(\$13.565)	(4.1)	
Net Surplus/(Deficit) <i>(Excluding Subsidies and Debt Service)</i>	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	
<i>Cash Depreciation Adjustments</i>								
Depreciation	0.000	0.000	0.000	\$0.000	-	\$0.000	-	
Operating/Capital	0.000	0.000	0.000	0.000	-	0.000	-	
Other Cash Adjustments	0.000	0.000	0.000	0.000	-	0.000	-	
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-	

Totals may not add due to rounding

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MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
Accrual Statement of Operations by Category
2016 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

<div style="border: 1px solid black; padding: 2px; text-align: center;">NON-REIMBURSABLE/ REIMBURSABLE</div>	2016			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2016 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$702.622	\$711.894	\$712.347	\$9.725	1.4	\$0.453	0.0
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	54.339	57.004	55.613	1.274	2.3	(1.391)	(2.4)
Capital and Other Reimbursements	330.688	333.374	346.939	16.251	4.9	13.565	4.1
Total Revenue	\$1,087.649	\$1,102.272	\$1,114.898	\$27.249	2.5	\$12.626	1.1
Expenses							
Labor:							
Payroll	\$627.991	\$614.861	\$603.887	\$24.104	3.8	\$10.974	1.8
Overtime	142.054	153.763	160.895	(18.841)	(13.3)	(7.132)	(4.6)
Health and Welfare	122.288	119.985	119.176	3.112	2.5	0.809	0.7
OPEB Current Payment	66.700	62.504	57.982	8.718	13.1	4.522	7.2
Pensions	163.377	180.900	180.900	(17.523)	(10.7)	0.000	0.0
Other Fringe Benefits	153.533	149.045	149.053	4.480	2.9	(0.008)	0.0
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenses	\$1,275.943	\$1,281.058	\$1,271.892	\$4.051	0.3	\$9.166	0.7
Non-Labor:							
Electric Power	\$93.930	\$77.303	\$78.615	\$15.315	16.3	(\$1.312)	(1.7)
Fuel	18.483	14.025	14.305	4.178	22.6	(0.280)	(2.0)
Insurance	32.983	29.960	29.056	3.927	11.9	0.904	3.0
Claims	4.303	4.406	16.588	(12.285)	*	(12.182)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	111.484	90.710	85.155	26.329	23.6	5.555	6.1
Professional Service Contracts	35.878	26.764	30.090	5.788	16.1	(3.326)	(12.4)
Materials & Supplies	228.305	182.438	180.075	48.230	21.1	2.363	1.3
Other Business Expenses	16.073	17.592	17.415	(1.342)	(8.3)	0.177	1.0
Total Non-Labor Expenses	\$541.439	\$443.198	\$451.299	\$90.140	16.6	(\$8.101)	(1.8)
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$1,817.382	\$1,724.256	\$1,723.191	\$94.191	5.2	\$1.065	0.0
Depreciation	\$327.053	\$335.945	\$333.594	(\$6.541)	(2.0)	\$2.351	0.7
Other Post Employee Benefits	76.744	83.476	89.862	(13.118)	(17.1)	(6.386)	(7.6)
GASB 68 Pension Expense Adjustment	0.000	169.000	(12.175)	12.175	-	181.175	*
Environmental Remediation	2.000	2.000	(1.756)	3.756	*	3.756	*
Total Expenses	\$2,223.179	\$2,314.677	\$2,132.715	\$90.463	4.1	\$181.962	7.9
Net Surplus/(Deficit)							
<i>(Excluding Subsidies and Debt Service)</i>	(\$1,135.530)	(\$1,212.405)	(\$1,017.817)	\$117.713	10.4	\$194.588	16.0
<i>Cash Depreciation Adjustments</i>							
Depreciation	327.053	335.945	333.594	\$6.541	2.0	(\$2.351)	(0.7)
Operating/Capital	(32.412)	(15.671)	(14.885)	17.527	54.1	0.786	5.0
Other Cash Adjustments	98.383	275.872	115.808	17.425	17.7	(160.064)	(58.0)
Total Cash Conversion Adjustments	\$393.024	\$596.146	\$434.517	\$41.493	10.6	(\$161.629)	(27.1)
Net Cash Surplus/(Deficit)	(\$742.506)	(\$616.259)	(\$583.300)	\$159.206	21.4	\$32.959	5.3

Totals may not add due to rounding

Results are based on the preliminary close of the general ledger and are subject to review and adjustment.

Results are unaudited

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
EXPLANATIONS OF CASH RECEIPTS AND EXPENDITURE VARIANCES**

2016 Final Estimate vs. Actual

Receipts

- **Farebox Revenue** was \$(0.9) million or (0.1)% below the estimate as a result of lower than anticipated advanced sales and lower yield per passenger, partially offset by increased ridership and higher Metrocard/AirTrain sales.
- **Other Operating Revenue** was \$(1.0) million or (2.0)% below the estimate primarily due to the timing of interagency reimbursements.
- **Capital and Other Reimbursements** were \$10.2 million or 3.3% above the estimate primarily due to higher than anticipated capital project activity.

Expenditures

- **Payroll** was \$9.4 million or 1.5% below the estimate due to vacant positions, the timing of tax payments and unsettled 2016 contractual wage obligations, partially offset by the timing of interagency reimbursements.
- **Overtime** was \$(5.3) million or (3.5)% higher than the estimate due to higher project and maintenance overtime, partially offset by lower payments for unscheduled service and weather-related overtime.
- **Health and Welfare** was \$1.7 million or 1.6% lower than expected primarily due to vacant positions and interagency reimbursements.
- **OPEB Current Payment** was \$4.6 million or 7.9% lower than the estimate due to fewer retiree/beneficiaries than estimated
- **Pensions** were \$1.0 million or 0.6% lower than the estimate primarily due to interagency reimbursements.
- **Other Fringe Benefits** were \$2.1 million or 1.4% lower than the estimate reflecting lower FELA payments and lower Railroad Retirement Tax payments, including the timing impact of 2016 payments shifting to 2017 and interagency reimbursements.
- **Electric Power** was \$(0.9) million or (1.2)% higher than the estimate primarily due to higher rates.
- **Fuel** was \$0.2 million or 1.7% lower than the estimate primarily due to the timing of payments, partially offset by higher rates.

- **Insurance** was \$2.4 million or 8.8% lower than estimate due to the timing of payments.
- **Claims** were \$(0.3) million or (13.0)% higher reflecting higher claim payments.
- **Maintenance and Other Operating Contracts** were \$21.9 million or 21.5% lower than the estimate primarily due to the timing of payments for Penn Station maintenance and other maintenance services, partially offset by higher payments for operating services.
- **Professional Service Contracts** were \$0.3 million or 1.2% lower than estimate due to the timing of MTA chargeback service and consulting service payments, partially offset by higher payments for other professional services.
- **Materials and Supplies** were \$(7.9) million or (4.8)% higher than estimate due to advance material purchases and higher program and production plan material and supplies purchases.
- **Other Business Expenses** were \$(0.4) million or (3.0)% higher than estimate primarily due to higher debit/credit card fee payments.
- **Other Expense Adjustments** were \$(0.2) million or (0.9)% higher than estimate due to higher Metrocard/AirTrain sales pass-through payments.
- **Cash Timing and Availability Adjustment** was \$(3.8) million higher than the estimate.

The total cash deficit variance of \$33.0 million, as detailed above, represents a real variance of \$15.0 million and a timing variance of \$18.0 million.

2016 Adopted Budget vs. Actual

Receipts

- **Farebox Revenue** exceeded the budget by \$8.1 million or 1.1% due to higher ridership, partially offset by lower Metrocard/AirTrain sales, lower yield per passenger and the effect of lower advance sales.
- **Other Operating Revenue** was \$7.1 million or 17.7% higher than budget primarily due to prior period interagency reimbursements and higher rental and special services revenue.
- **Capital and Other Reimbursements** were \$21.3 million or 7.2% higher than budget due to higher project activity.

Expenditures

- **Payroll** was \$18.9 million or 3.0% lower than budget due to vacant positions, lower rates, the timing of tax payments, unsettled 2016 contractual agreements and lower retiree sick payments, partially offset by the timing of interagency wage payments.

- **Overtime** was \$(17.7) million or (12.5)% higher than budget due to higher payments for project and maintenance overtime, partially offset by lower payments for vacancy/absentee coverage and unscheduled/scheduled service overtime.
- **Health and Welfare** was \$16.4 million or 13.4% lower than budget primarily due to the early payment of a NYSHIP premium in 2015, vacant positions, interagency reimbursements and rates.
- **OPEB Current Payment** was \$13.1 million or 19.6% lower than budget due to fewer retiree/beneficiaries than estimated, the early payment of a NYSHIP premium in 2015 and lower rates.
- **Pensions** were \$(13.5) million or (8.3)% higher than budget due to higher actuarial based contributions, partially offset by interagency contributions.
- **Other Fringe Benefits** were \$6.3 million or 4.1% lower than budget primarily due to lower Railroad Retirement Tax including interagency reimbursements and lower FELA claims payments, partially offset by higher payments for meals.
- **Electric Power** was \$15.1 million or 16.1% lower than budget due to lower rates and consumption.
- **Fuel** was \$4.6 million or 24.9% lower than budget due to lower rates.
- **Insurance** was \$8.0 million or 24.0% lower than budget due to lower premiums including the consolidation of catastrophic and property insurance and the timing of policy payments.
- **Claims** were \$(1.2) million or (71.8)% higher than budget reflecting higher claim payments.
- **Maintenance and Other Operating Contracts** were \$27.8 million or 25.8% lower than budget primarily due to lower maintenance, construction and Penn Station maintenance payments, partially offset by higher payments for operating services and leases & rentals.
- **Professional Service Contracts** were \$7.8 or 24.8% lower than budget primarily due to timing of consulting services and contracts.
- **Materials and Supplies** were \$39.3 million or 18.4% lower than budget primarily due to timing of program initiatives and advance purchases for 2016 in 2015.
- **Other Business Expenses** were \$0.7 million or 4.5% lower than budget due to lower employee expenses, partially offset by higher credit/debit fee payments.
- **Other Expense Adjustments** were \$1.1 million or 5.0% lower than budget due to lower Metrocard/AirTrain sales pass-through payments.
- **Cash Timing and Availability Adjustment** was \$(3.8) million higher than budget.

MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
Cash Receipts and Expenditures
2016 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

	2016			Favorable/(Unfavorable) Variance			
	<u>Adopted Budget</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>2016 Adopted Budget</u>		<u>Final Estimate</u>	
				<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Receipts							
Farebox Revenue	\$723.872	\$732.847	\$731.942	\$8.070	1.1	(\$0.905)	(0.1)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	39.864	47.904	46.939	7.075	17.7	(0.965)	(2.0)
Capital and Other Reimbursements	297.752	308.888	319.045	21.293	7.2	10.157	3.3
Total Receipts	\$1,061.488	\$1,089.639	\$1,097.926	\$36.438	3.4	\$8.287	0.8
Expenditures							
Labor:							
Payroll	\$620.364	\$610.911	\$601.470	\$18.894	3.0	\$9.441	1.5
Overtime	142.054	154.417	159.750	(17.696)	(12.5)	(5.333)	(3.5)
Health and Welfare	122.288	107.590	105.921	16.367	13.4	1.669	1.6
OPEB Current Payment	66.700	58.259	53.634	13.066	19.6	4.625	7.9
Pensions	163.377	177.889	176.880	(13.503)	(8.3)	1.009	0.6
Other Fringe Benefits	152.533	148.297	146.241	6.292	4.1	2.056	1.4
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenditures	\$1,267.316	\$1,257.363	\$1,243.896	\$23.420	1.8	\$13.467	1.1
Non-Labor:							
Electric Power	\$93.930	\$77.913	\$78.854	\$15.076	16.1	(\$0.941)	(1.2)
Fuel	18.483	14.125	13.878	4.605	24.9	0.247	1.7
Insurance	33.259	27.694	25.263	7.996	24.0	2.431	8.8
Claims	1.733	2.636	2.978	(1.245)	(71.8)	(0.342)	(13.0)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	107.778	101.781	79.931	27.847	25.8	21.850	21.5
Professional Service Contracts	31.486	23.971	23.685	7.801	24.8	0.286	1.2
Materials & Supplies	213.803	166.550	174.464	39.339	18.4	(7.914)	(4.8)
Other Business Expenses	14.956	13.865	14.282	0.674	4.5	(0.417)	(3.0)
Total Non-Labor Expenditures	\$515.428	\$428.535	\$413.334	\$102.094	19.8	\$15.201	3.5
Other	21.250	20.000	20.177	1.073	5.0	(0.177)	(0.9)
Total Other Expenditure Adjustments	\$21.250	\$20.000	\$20.177	\$1.073	5.0	(\$0.177)	(0.9)
Total Expenditures	\$1,803.994	\$1,705.898	\$1,677.406	\$126.588	7.0	\$28.492	1.7
Cash Timing and Availability Adjustment	0.000	0.000	(3.820)	(3.820)	-	(3.820)	-
Operating Cash Deficit	(\$742.506)	(\$616.259)	(\$583.300)	\$159.206	21.4	\$32.959	5.3
Totals may not add due to rounding							

MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
Cash Conversion (Cash Flow Adjustments)
2016 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

	2016			Favorable/(Unfavorable) Variance			
	Adopted	Final	Actual	2016 Adopted Budget		Final Estimate	
	Budget	Estimate		\$	%	\$	%
Receipts							
Farebox Revenue	\$21.250	\$20.953	\$19.595	(\$1.655)	(7.8)	(\$1.358)	(6.5)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	(14.475)	(9.100)	(8.674)	5.801	40.1	0.426	4.7
Capital and Other Reimbursements	(32.936)	(24.486)	(27.894)	5.042	15.3	(3.408)	(13.9)
Total Receipts	(\$26.161)	(\$12.633)	(\$16.973)	\$9.188	35.1	(\$4.340)	(34.4)
Expenditures							
Labor:							
Payroll	\$7.627	\$3.950	\$2.417	(\$5.210)	(68.3)	(\$1.533)	(38.8)
Overtime	0.000	(0.654)	1.145	1.145	-	1.799	*
Health and Welfare	0.000	12.395	13.255	13.255	-	0.860	6.9
OPEB Current Payment	0.000	4.245	4.348	4.348	-	0.103	2.4
Pensions	0.000	3.011	4.020	4.020	-	1.009	33.5
Other Fringe Benefits	1.000	0.748	2.811	1.811	*	2.063	*
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenditures	\$8.627	\$23.695	\$27.996	\$19.369	*	\$4.301	18.2
Non-Labor:							
Electric Power	\$0.000	(\$0.610)	(\$0.239)	(\$0.239)	-	\$0.371	60.8
Fuel	0.000	(0.100)	0.427	0.427	-	0.527	*
Insurance	(0.276)	2.266	3.793	4.069	*	1.527	67.4
Claims	2.570	1.770	13.611	11.041	*	11.841	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	3.706	(11.071)	5.224	1.518	41.0	16.295	*
Professional Service Contracts	4.392	2.793	6.406	2.014	45.8	3.613	*
Materials & Supplies	14.502	15.888	5.611	(8.891)	(61.3)	(10.277)	(64.7)
Other Business Expenses	1.117	3.727	3.133	2.016	*	(0.594)	(15.9)
Total Non-Labor Expenditures	\$26.011	\$14.663	\$37.966	\$11.955	46.0	\$23.303	*
Other Expense Adjustments:							
Other	(21.250)	(20.000)	(20.177)	1.073	5.0	(0.177)	(0.9)
Total Other Expenditure Adjustments	(\$21.250)	(\$20.000)	(\$20.177)	\$1.073	5.0	(\$0.177)	(0.9)
Total Expenditures Before Depreciation	\$13.388	\$18.358	\$45.785	\$32.397	*	\$27.427	*
Depreciation	\$327.053	\$335.945	\$333.594	\$6.541	2.0	(\$2.351)	(0.7)
Other Post Employee Benefits	76.744	83.476	89.862	13.118	17.1	6.386	7.6
GASB 68 Pension Expense Adjustment	0.000	169.000	(12.175)	(12.175)	-	(181.175)	*
Environmental Remediation	2.000	2.000	(1.756)	(3.756)	*	(3.756)	*
Total Expenditures	\$419.185	\$608.779	\$455.309	\$36.124	8.6	(\$153.470)	(25.2)
Cash Timing and Availability Adjustment	0.000	0.000	(3.820)	(3.820)	-	(3.820)	-
Baseline Total Cash Conversion Adjustments	\$393.024	\$596.146	\$434.517	\$41.493	10.6	(\$161.629)	(27.1)

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
2016 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE
(\$ in millions)

			<u>Favorable/(Unfavorable) Variance</u>		
	<u>Final</u>	<u>Actual</u>	<u>Total</u>	<u>Real</u>	<u>Timing</u>
	<u>Estimate</u>				
<u>Receipts</u>					
Farebox Revenue	\$732.8	\$731.9	(\$0.9)	\$0.5	(\$1.4)
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	47.9	46.9	(1.0)	0.7	(1.7)
Capital and Other Reimbursements	308.9	319.0	10.2	10.2	0.0
Total Receipts	1,089.6	1,097.9	8.3	11.3	(3.0)
<u>Expenditures</u>					
Labor:					
Payroll	610.9	601.5	9.4	12.5	(3.0)
Overtime	154.4	159.7	(5.3)	(5.4)	0.1
Health and Welfare	107.6	105.9	1.7	1.7	0.0
OPEB Current Payment	58.3	53.6	4.6	4.6	0.0
Pensions	177.9	176.9	1.0	1.0	0.0
Other Fringe Benefits	148.3	146.2	2.1	1.8	0.3
GASB Account	0.0	0.0	0.0	0.0	0.0
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	1,257.4	1,243.9	13.5	16.1	(2.7)
Non-Labor:					
Electric Power	77.9	78.9	(0.9)	(1.2)	0.3
Fuel	14.1	13.9	0.2	(0.3)	0.5
Insurance	27.7	25.3	2.4	0.0	2.4
Claims	2.6	3.0	(0.3)	(0.3)	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	101.8	79.9	21.9	6.7	15.2
Professional Service Contracts	24.0	23.7	0.3	(3.6)	3.9
Materials & Supplies	166.6	174.5	(7.9)	(9.1)	1.2
Other Business Expenses	13.9	14.3	(0.4)	(0.6)	0.1
Total Non-Labor Expenditures	428.5	413.3	15.2	(8.4)	23.6
Other Expenditure Adjustments:					
Other	20.0	20.2	(0.2)	(0.2)	0.0
Total Other Expenditure Adjustments	20.0	20.2	(0.2)	(0.2)	0.0
Total Expenditures	1,705.9	1,677.4	28.5	7.5	21.0
Cash Timing and Availability Adjustment	0.0	(3.8)	(3.8)	(3.8)	0.0
Baseline Net Cash Deficit	(\$616.3)	(\$583.3)	\$33.0	\$15.0	\$18.0

Totals may not agree due to rounding.

MTA LONG ISLAND RAIL ROAD
Preliminary 2016 Overtime Results
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	2016 Adopted Budget		2016 Final Estimate		Actual		2016 Adopted Budget vs. Actuals		2016 Final Estimate vs. Actuals	
							Var. - Fav/(Unfav)		Var. - Fav/(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME										
<u>Scheduled Service</u> ¹	403,260	\$24.434	396,117	\$23.931	404,013	\$24.303	(753) -0.2%	\$0.130 0.5%	(7,897) -2.0%	(\$0.372) -1.6%
<u>Unscheduled Service</u>	103,961	6.512	96,532	6.054	88,653	5.545	15,309 14.7%	0.967 14.8%	7,879 8.2%	0.509 8.4%
<u>Programmatic/Routine Maintenance</u>	627,414	35.421	714,746	40.003	751,102	42.409	(123,688) -19.7%	(6.987) -19.7%	(36,356) -5.1%	(2.406) -6.0%
<u>Unscheduled Maintenance</u>	5,894	0.347	9,093	0.533	22,580	1.309	(16,686) *	(0.961) *	(13,487) *	(0.775) *
<u>Vacancy/Absentee Coverage</u>	657,744	38.191	640,577	37.181	645,666	37.181	12,078 1.8%	1.010 2.6%	(5,089) -0.8%	0.001 0.0%
<u>Weather Emergencies</u>	160,522	9.180	163,553	9.874	157,004	9.509	3,518 2.2%	(0.328) -3.6%	6,549 4.0%	0.366 3.7%
<u>Safety/Security/Law Enforcement</u> ²	-	-	-	-	-	-	-	-	-	-
<u>All Other</u> ³	21,713	1.162	17,194	2.008	22,262	2.001	(549) -2.5%	(0.840) -72.3%	(5,068) -29.5%	0.007 0.3%
TOTAL NON-REIMBURSABLE OVERTIME	1,980,508	\$115.247	2,037,812	\$119.585	2,091,279	\$122.256	(110,771) -5.6%	(\$7.009) -6.1%	(53,468) -2.6%	(\$2.671) -2.2%
REIMBURSABLE OVERTIME	465,256	\$26.807	578,384	\$34.178	637,519	\$38.638	(172,263) -37.0%	(\$11.831) -44.1%	(59,135) -10.2%	(\$4.460) -13.1%
TOTAL OVERTIME	2,445,764	\$142.054	2,616,196	\$153.763	2,728,798	\$160.895	(283,034) -11.6%	(\$18.841) -13.3%	(112,602) -4.3%	(\$7.132) -4.6%

1 Includes Tour Length and Holiday overtime.

2 Not Applicable

3 Reflects overtime for customer service, material management, other administrative functions and technical adjustments.

* Exceeds 100%

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
EXPLANATIONS OF VARIANCES ON RIDERSHIP/ (UTILIZATION)**

2016 Final Estimate vs. Actual

Ridership of 89.4 million was 0.1% above the final estimate resulting in an increase of \$0.9 million in Farebox Revenue compared to the Final Estimate. Combined with a lower yield per passenger of \$(0.4) million, total Farebox Revenue was higher than the Final Estimate by \$0.5 million.

2016 Adopted Budget vs. Actual

In comparison to the Adopted Budget, actual farebox revenue was above budget by \$9.7 million. Higher than projected ridership of 1.5% resulted in a revenue increase of \$10.4 million above the Adopted Budget. This was partially offset by lower yield per passenger of \$(0.6) million.

Compared to 2015, ridership increased by 1.9% or 1.7 million passengers.

MTA LONG ISLAND RAIL ROAD
2016 FEBRUARY ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL
UTILIZATION
(in millions)

	Year-to-Date as of December 2016				Variance Favorable/(Unfavorable)					
	Adopted Budget	Final Estimate	Actual	Adjusted* 2015	vs. Budget		vs. Final Estimate		vs. Adjusted 2015	
	\$	%	\$	#	%	%	\$	%	#	%
Farebox Revenue										
Monthly	\$344.506	\$350.145	\$351.400		\$6.894	2.0	\$1.255	0.4		
Weekly	19.387	18.154	17.828		(1.559)	(8.0)	(0.326)	(1.8)		
Total Commutation	\$363.893	\$368.299	\$369.227		\$5.334	1.5	\$0.928	0.3		
One Way Full	\$91.407	\$92.935	\$93.606		\$2.199	2.4	\$0.670	0.7		
One Way Off Peak	170.575	172.669	171.577		1.002	0.6	(1.092)	(0.6)		
All Other	76.747	77.991	77.937		1.190	1.6	(0.054)	(0.1)		
Total Non Commutation	\$338.729	\$343.595	\$343.119		\$4.390	1.3	(\$0.476)	(0.1)		
Total Farebox Revenue	\$702.622	\$711.894	\$712.347		9.724	1.4	\$0.452	0.1		
Ridership										
Monthly	48.793	49.629	49.874	48.424	1.081	2.2	0.245	0.5	1.450	3.0
Weekly	2.035	1.904	1.875	1.965	(0.160)	(7.9)	(0.029)	(1.5)	(0.090)	(4.6)
Total Commutation	50.828	51.533	51.749	50.389	0.921	1.8	0.216	0.4	1.360	2.7
One Way Full	8.430	8.531	8.554	8.491	0.124	1.5	0.023	0.3	0.063	0.7
One Way Off Peak	18.174	18.357	18.265	18.105	0.090	0.5	(0.093)	(0.5)	0.160	0.9
All Other	10.620	10.824	10.784	10.667	0.164	1.5	(0.039)	(0.4)	0.118	1.1
Total Non Commutation	37.224	37.712	37.603	37.263	0.378	1.0	(0.109)	(0.3)	0.340	0.9
Total Ridership	88.053	89.245	89.352	87.651	1.299	1.5	0.107	0.1	1.700	1.9

*Prior year adjusted to reflect current year calendar. Applicable to ridership only.

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
EXPLANATIONS OF VARIANCES on POSITIONS
By FUNCTION and DEPARTMENT
NON-REIMBURSABLE/ REIMBURSABLE and FULL-TIME/ FULL-TIME
EQUIVALENTS**

2016 Final Estimate vs. Actual

At the end of 2016, the Long Island Rail Road had 7,114 total employees (actual headcount), which consisted of 6,195 non-reimbursable and 919 reimbursable employees. Headcount was 152 or 2.1% below the final estimate of 7,266 positions.

The vacancies were primarily in administrative positions followed by Train Operations, Engineering Department and the Department of Program Management.

MTA LONG ISLAND RAIL ROAD
Non-Reimbursable-Reimbursable Positions by Function and Department
Full-Time Positions and Full-Time Equivalents
December 2016

	2016 Adopted Budget	2016 Final Estimate	Actual	Favorable/(Unfavorable)			
				Adopted Budget		Final Estimate	
				Variance	%	Variance	%
Administration							
Executive VP	2	2	2	0	0.0%	0	0.0%
Sr Vice President - Engineering	5	13	9	(4)	-80.0%	4	30.8%
Labor Relations	19	19	17	2	10.5%	2	10.5%
Procurement & Logistics (excl. Stores)	82	86	75	7	8.5%	11	12.8%
Human Resources	33	33	31	2	6.1%	2	6.1%
Sr VP Administration	2	2	1	1	50.0%	1	50.0%
Strategic Investments	25	25	23	2	8.0%	2	8.0%
President	4	4	4	0	0.0%	0	0.0%
VP & CFO	5	4	3	2	40.0%	1	25.0%
Controller	42	43	42	0	0.0%	1	2.3%
Management and Budget	21	21	15	6	28.6%	6	28.6%
BPM, Controls, & Compliance	7	7	7	0	0.0%	0	0.0%
Market Dev. & Public Affairs	69	71	60	9	13.0%	11	15.5%
Gen. Counsel & Secretary	32	33	31	1	3.1%	2	6.1%
Diversity Management	3	3	3	0	0.0%	0	0.0%
Security	12	14	9	3	25.0%	5	35.7%
System Safety	36	36	33	3	8.3%	3	8.3%
Training	64	65	63	1	1.6%	2	3.1%
Service Planning	23	23	19	4	17.4%	4	17.4%
Rolling Stock Programs	10	11	9	1	10.0%	2	18.2%
Sr Vice President - Operations	2	2	2	0	0.0%	0	0.0%
Total Administration	498	517	458	40	8.0%	59	11.4%
Operations							
Train Operations	2,127	2,173	2,129	(2)	-0.1%	44	2.0%
Customer Service	296	299	293	3	1.0%	6	2.0%
Total Operations	2,423	2,472	2,422	1	0.0%	50	2.0%
Maintenance							
Engineering	1,866	1,902	1,889	(23)	-1.2%	13	0.7%
Equipment	2,126	2,079	2,074	52	2.4%	5	0.2%
Procurement (Stores)	93	94	95	(2)	-2.2%	(1)	-1.1%
Total Maintenance	4,085	4,075	4,058	27	0.7%	17	0.4%
Engineering/Capital							
Department of Program Management	157	156	133	24	15.3%	23	14.7%
Special Projects/East Side Access	43	46	43	0	0.0%	3	6.5%
Total Engineering/Capital	200	202	176	24	12.0%	26	12.9%
Baseline Total Positions	7,206	7,266	7,114	92	1.3%	152	2.1%
<i>Non-Reimbursable</i>	<i>6162</i>	<i>6,148</i>	<i>6,195</i>	<i>(33)</i>	<i>-0.5%</i>	<i>(47)</i>	<i>-0.8%</i>
<i>Reimbursable</i>	<i>1044</i>	<i>1,118</i>	<i>919</i>	<i>125</i>	<i>12.0%</i>	<i>199</i>	<i>17.8%</i>
Total Full-Time	7206	7,266	7,114	92	1.3%	152	2.1%
Total Full-Time-Equivalents	0	0	0	0	0.0%	0	0.0%

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
EXPLANATIONS of VARIANCES
By FUNCTION AND OCCUPATION GROUP**

2016 Final Estimate vs. Actual

At the end of 2016, the Long Island Rail Road had 7,114 total employees (actual headcount), which consisted of 1,342 Managers/Supervisors, 525 Professional, Technical & Clerical and 5,247 Operational Hourlies. This was 152 positions or 2.1% below the final estimate of 7,266. Headcount vacancies were primarily found in Managers/Supervisors and Professional titles.

MTA LONG ISLAND RAIL ROAD
2016 Final Estimate vs. Preliminary Actual
Total Positions by Function and Occupational Group
December 2016

				Favorable/(Unfavorable)			
				Adopted Budget		Final Estimate	
	2016 Adopted Budget	2016 Final Estimate	Actual	Variance	%	Variance	%
Administration							
Managers/Supervisors	249	262	236	13	5.2%	26	9.9%
Professional, Technical, Clerical	147	151	115	32	21.8%	36	23.8%
Operational Hourlies	102	104	107	(5)	-4.9%	(3)	-2.9%
Total Administration	498	517	458	40	8.0%	59	11.4%
Operations							
Managers/Supervisors	288	293	292	(4)	-1.4%	1	0.3%
Professional, Technical, Clerical	102	96	93	9	8.8%	3	3.1%
Operational Hourlies	2,033	2,083	2,037	(4)	-0.2%	46	2.2%
Total Operations	2,423	2,472	2,422	1	0.0%	50	2.0%
Maintenance							
Managers/Supervisors	757	750	695	62	8.2%	55	7.3%
Professional, Technical, Clerical	246	255	260	(14)	-5.7%	(5)	-2.0%
Operational Hourlies	3,082	3,070	3,103	(21)	-0.7%	(33)	-1.1%
Total Maintenance	4,085	4,075	4,058	27	0.7%	17	0.4%
Engineering/Capital							
Managers/Supervisors	141	136	119	22	15.6%	17	12.5%
Professional, Technical, Clerical	59	66	57	2	3.4%	9	13.6%
Operational Hourlies	0	0	0	0	0.0%	0	0.0%
Total Engineering/Capital	200	202	176	24	12.0%	26	12.9%
Public Safety							
Managers/Supervisors	0	0	0	0	0.0%	0	0.0%
Professional, Technical, Clerical	0	0	0	0	0.0%	0	0.0%
Operational Hourlies	0	0	0	0	0.0%	0	0.0%
Total Public Safety	0	0	0	0	0.0%	0	0.0%
Baseline Total Positions							
Managers/Supervisors	1,435	1,441	1,342	93	6.5%	99	6.9%
Professional, Technical, Clerical	554	568	525	29	5.2%	43	7.6%
Operational Hourlies	5,217	5,257	5,247	(30)	-0.6%	10	0.2%
Total Baseline	7,206	7,266	7,114	92	1.3%	152	2.1%

**MTA LONG ISLAND RAIL ROAD
2016 YEAR-END REPORT
RESULTS OF OPERATIONS**

FINANCIAL PERFORMANCE

The LIRR's 2016 financial performance was strong. Total spending was less than budget and total revenues exceeded budget. Total Non-reimbursable spending of \$1,785.8 million was \$106.7 million favorable to the Adopted Budget of \$1,892.5 million. The net deficit of \$(1,017.8) million, was 10.4% favorable to the Adopted Budget.

The operating cash deficit of \$(583.3) million was 21.4% favorable to the Adopted Budget and 5.3% favorable to the Final Estimate.

During 2016 the LIRR continued to progress on several key fronts intended to enhance its ability to provide safe, secure, reliable service to customers. Work continued on several important resiliency/restoration projects established as a response to Superstorm Sandy, and the LIRR made significant progress on its safety initiatives. It initiated several service improvements including adding cars to reduce standees and restored all year weekend service on the North Fork. It accomplished all of this while at the same time operating its normal service, maintaining its infrastructure, and providing quality customer service.

Managing Workforce Levels: Given that payroll spending is the single largest expense category in the budget, it is essential that the LIRR pay close attention to staffing levels. Senior management must ensure that the LIRR is budgeted appropriately for its operation and at the same time make sure that a sufficient number of positions are filled to complete necessary work and avoid the unnecessary use of overtime.

The LIRR's success at controlling labor-related expenses is founded on the development of a realistic and efficient hiring plan for operational positions. The hiring plan links workload (current and projected) to attrition projections and training and recruitment capacity in an effort to set hiring goals over a two-year planning horizon. Despite higher than anticipated attrition in recent years coupled with increased workload, the LIRR was able to use its 2016 hiring plan to fill critical positions and reduce the number of vacancies in several key departments including the Maintenance of Equipment Department.

Controlling Overtime: The LIRR's Overtime Task Force is tasked with strengthening the Rail Road's overtime monitoring and approval process, standardizing procedures, and increasing managerial accountability for overtime usage. The Task Force is a corporate-wide effort that engages high-level senior management and staffing from the four main operating departments and relevant oversight and support departments. The Task Force formally meets on a quarterly basis to review and discuss progress on strategic overtime initiatives and overall overtime data. Individual working groups met regularly to discuss trends and identify corrective actions plans.

While overall overtime spending grew in 2016, the Task Force identified several key areas of strategic focus for the year, and in most these areas achieved measurable success. Specifically, the Task Force targeted Relief Day overtime in the Transportation Department, filling vacant operational positions in the Maintenance of Equipment Department, oversight of tour extensions in the Stations Department and maintenance and modification overtime in the Engineering Department.

Relief day overtime is incurred when an employee works on their scheduled day off typically due to an absent employee or vacant position coverage. In Transportation, the level of employee unavailability due to absence decreased in 2016, as compared to 2015, and relief day overtime decreased by close to 15,000 hours (10.7%). This lower overtime was achieved through an aggressive hiring plan for the conductor and locomotive engineer crafts.

Likewise, efforts by the Task Force resulted in lower vacant position related overtime in the Maintenance of Equipment Department. Despite an increased workload, vacant position overtime hours in 2016 were approximately 4,900 (6.8%) lower than 2015, which was achieved by implementing an aggressive hiring plan to fill positions in anticipation of attrition and in advance of the start of maintenance and modification programs.

Stations focused on strengthening its oversight of extension of tours. Through the end of 2016, extension of tour overtime was 3,200 hours or 16.2% lower than 2015 due to tighter controls, weekly overtime meetings and a change in contract provision where overlap hours are paid on Straight Time as opposed to overtime.

The one area that continues to remain an area of concern is maintenance/modification overtime in the Engineering Department. Maintenance/Modification overtime increased by approximately 30,300 hours (13.6%) over 2015. In order to better manage overtime going forward, the Engineering department has prioritized all of its planned overtime related work for the year. The department will meet with the SVP Engineering, VP Management & Finance and OMB on a monthly basis to compare actual overtime usage versus budget. No efforts requiring overtime will begin until approval of the VP's has been granted. Alternatives to overtime will be discussed and any corrective actions will be taken.

Matching Inventory and Material Purchasing with Needs: Materials and Supplies is the largest non-payroll cost category in the budget. Careful management of spending in this category is a very important component in achieving financial control and stability. The Inventory Task Force has continued to oversee the management of inventory and material acquisition. For 2016 the goals were clear: maximize financial resources; reduce the amount of surplus and excess material and reduce inventory levels; and ensure that material is available to meet departmental work plans and infrastructure maintenance needs. In 2016, by making better use of existing inventory and better aligning the purchase of materials with the actual need, spending on materials and supplies was \$39.3 million less than budget on a cash basis.

One metric used by the MTA to measure financial performance is Farebox Operating Ratio (FOR), which calculates what percent of operating expenses the LIRR covers through farebox revenue. In 2016, the ratio increased from 51.0% in 2015 to 51.4%.

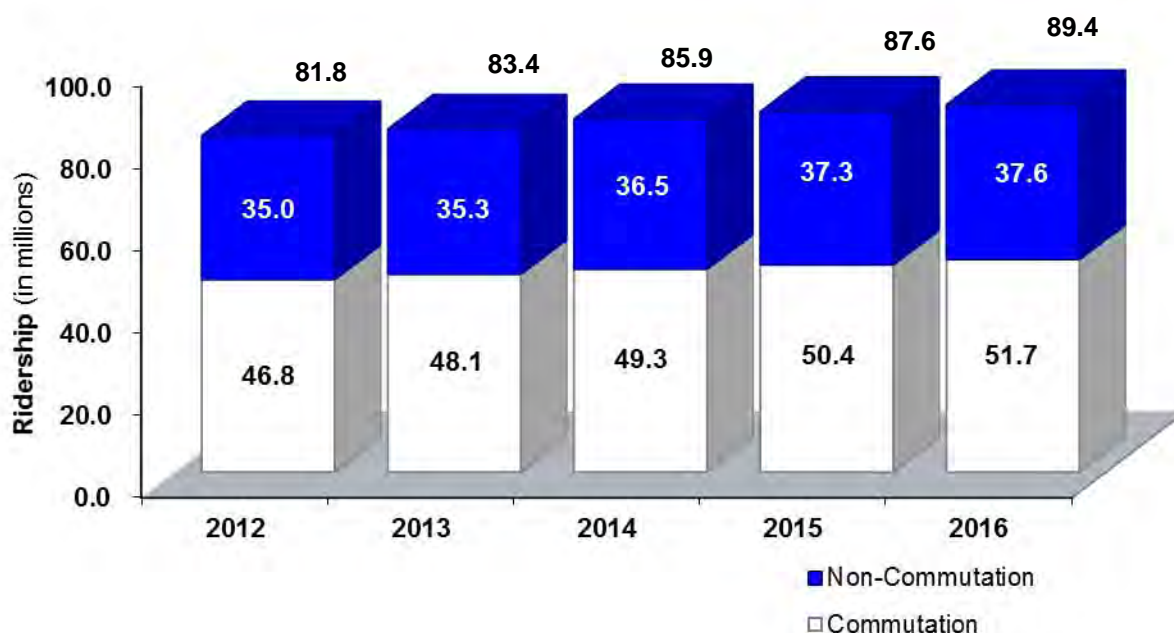
The 2016 actual FOR was also favorable to the Adopted Budget level of 46.4%. It is important to note that excluding the LIRR's unfunded pension liability expenses, the LIRR's farebox operating ratio would have increased to 60.4% in 2016. The LIRR's operating cost per passenger decreased from \$15.62 in 2015 to \$15.57 in 2016.

RIDERSHIP AND REVENUE

LIRR ridership rose in 2016, as a steadily improving economy and popular service to Barclays Center continued to boost the number of railroad customers above the previous year. Total ridership for 2016 was 89.4 million, 1.9% higher than in 2015. This marks the highest ridership since the previous post-war high number of 91.8 million passengers achieved in 1949. This broke the previous modern record of 2015's 87.6 million passengers. The LIRR hopes this growth will continue in 2017 with a focus on customer service and a continued strengthening economy.

Both the Commutation and Non-Commutation markets experienced ridership growth in 2016. Ridership for these markets was strong, indicating that the region's economy improved and customers responded favorably to service improvements.

Historical Ridership



LIRR Ridership & NYC Employment

LIRR Ridership & NYC Employment

	2012	2013	2014	2015	2016	16 vs 15
<i>Commutation</i>	46.8	48.1	49.3	50.4	51.7	2.7%
<i>Non-Commutation</i>	35.0	35.3	36.5	37.3	37.6	0.9%
Total Ridership	81.8	83.4	85.9	87.6	89.4	1.9%
NYC Employment*	3,881.6	3,974.9	4,104.7	4,223.7	4,341.2	2.8%

The strong regional economy was a major positive factor affecting LIRR ridership contributing to the 1.9% overall increase in ridership in 2015. As shown above, the NYC Non-Agricultural employment increased 2.8% during 2016 compared to 2015. Elements of this include Business and Professional Services employment increased 2.4%, the Leisure and Hospitality employment increased 2.8%, and the Financial Sector employment increased by 1.3% compared to last year.

During 2016, the LIRR implemented the following service enhancements. Two seasonal trains were added to the summer timetable, for customers connecting with Fire Island ferries in Bay Shore, Sayville and Patchogue. Cars were added to Greenport summer trains serving Long Island's North Fork, and year-round weekend service was restored to/from Greenport.

In 2016 the LIRR took a number of steps that helped boost weekend and leisure travel ridership. During the PGA Golf Tournament in August 2016, LIRR provided additional train service to/from Farmingdale Station, where customers could connect to free shuttle bus service to the Bethpage Black golf course. It is estimated that approximately 35,000 spectators, or approximately 20% of the total tournament attendees, utilized LIRR for travel to/from the golf tournament.

As of September 2016, the LIRR made four additional post-game trains a permanent part of its service plan for all New York Islanders home games at the Barclays Center. This includes two trains departing Atlantic Terminal traveling to Babylon, one train to Farmingdale, and one train to Ronkonkoma. In addition, for New York Islanders' weekend home games, LIRR is providing additional westbound, pre-game train service – with two trains from Babylon to Atlantic Terminal, one train from Farmingdale and one train from Ronkonkoma. In addition, for selected high-demand New York Islanders home games, two post-game shuttle trains will operate from Atlantic Terminal to Jamaica, providing additional eastbound service, and allowing customers to connect to other branches in Jamaica.

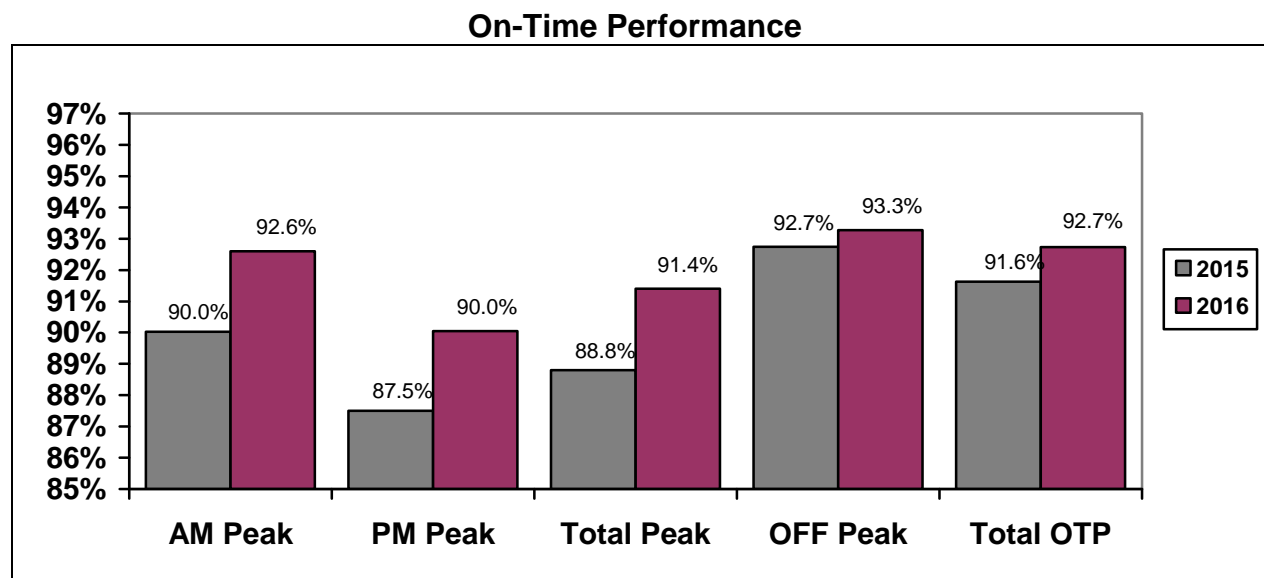
In 2016 the Long Island Rail Road launched MTA eTix, the first-ever mobile ticketing application. MTA eTix allows LIRR customers to purchase and display train tickets directly from their mobile devices, including smartphones and tablets.

Mobile tickets have been growing in popularity winning over many LIRR customers. Customer satisfaction during the early stages was very high, while the eTix share of all sales channels far exceeded expectations (in December 2016, eTix represented 12% of all tickets sold).

LIRR's popular Mail&Ride program was made even more customer-friendly. For the first time, the Mail&Ride web page is accepting payment transactions from commuters who want to use a personal credit card after paying the initial installment with pre-tax debit card from their company's Transit Benefit Program. Previously, these customers needed to pay their balance via check.

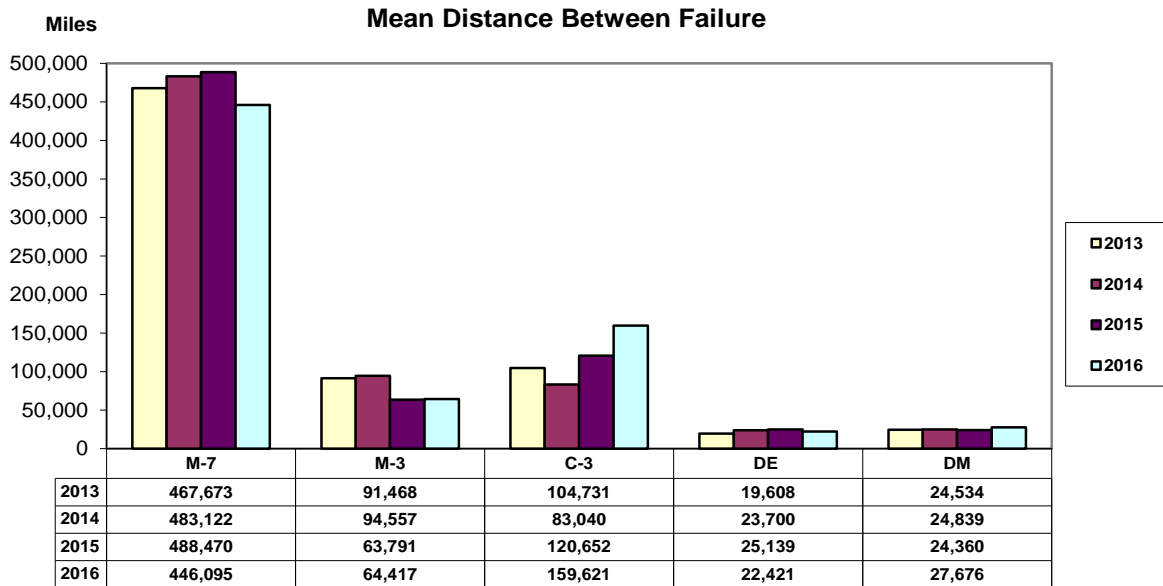
OPERATIONAL PERFORMANCE

On-Time Performance (OTP): One of the most reliable predictors of customer satisfaction is the ability of the LIRR to deliver passengers to their intended destinations on time. For 2016, the LIRR's OTP was 92.7%, an improvement of 1.1% from the 2015 OTP rate of 91.6%.



The increase in OTP was attributable to fewer winter weather events and a reduction in delays on account of trespasser or motor vehicle incidents.

Mean Distance Between Failures (MDBF): MDBF is the standard measurement used to gauge fleet reliability. The MDBF for the entire fleet in 2016 was 211,975 miles, which exceeded the 2016 goal of 200,000 miles by 6.0% and represents a 1.7% increase from 2015. The 2016 level was the highest annual fleet-wide MDBF since tracking was initiated.



The M-7 fleet MDBF continued to be a strong contributor in the LIRR's fleet reliability achievements. With an MDBF of 446,095 miles, the M7 fleet continued to remain the highest MDBF reliability fleet. The Reliability Centered Maintenance (RCM) program and rigorous maintenance schedules and protocols contributed to its outstanding reliability performance.

The Maintenance of Equipment Department's increased maintenance efforts have also lead to improved reliability of the C-3 fleet. The C-3 MDBF of 159,621 miles exceeded the goal by 59.6% and exceeded the 2015 actuals by 32.3%. It was also the highest MDBF ever recorded for the C-3 fleet. Effective RCM and door modification programs led to superior Doors and Brakes system performance, which consequently improved C-3 reliability performance.

The combined diesel fleet achieved an MDBF of 77,035 miles, which far exceeded the goal by 28.4% and produced a best ever diesel fleet MDBF.

At the end of 2016, the MU electric fleet consisted of 828 M-7 and 150 M-3 cars available for revenue service. The diesel fleet consisted of 134 C-3 coach cars and 45 diesel locomotives. The MU and diesel (C-3 Coach) spare ratio was 10.4% and 15.7% respectively. The AM peak requirement at year-end was 864 for the MU fleet and 113 for the C-3 coaches.

CUSTOMER COMMUNICATION

Ongoing customer communication efforts includes the use of social media tools to respond to customer concerns in real time and the LIRR's Public Information Office, which operates 24/7, in order to provide customers with email alerts, station

announcements, electronic branch line messages, onboard announcements, and website updates, especially during service disruptions.

In 2016, Upgrades and a rebranding was made to LIRR Email & Text Alert subscription service, now called My MTA Alerts®, to allow customers to request service information at specific times of the day within 30-minute intervals. Since 2008, email and text alerts have been provided by the MTA family of agencies and have become a popular and useful tool for customers looking for up-to-the minute service changes and the status of elevators or escalators. Subscribers are able to select the agency and the specific transit branches/routes for which they are interested in receiving alerts.

Real-time LIRR train schedule information is now available on monitors inside the Barclays Center in Brooklyn, which is located directly across the street from LIRR's Atlantic Terminal. Not only is this train schedule information available on monitors located throughout the Barclays Center, it is also posted on the center-hung scoreboard inside the arena.

The LIRR continues to explore new ways to improve customer communication.

CUSTOMER AMENITIES

During 2016, LIRR advanced a number of station improvement projects. These included:

- Completed renovations of East New York Station as part of the LIRR's state of good repair program. Work included renovation of the station's pedestrian underpass, including new architectural wall treatments and installation of new LED lighting, new fiberglass covers on staircases, localized platform repairs, and installation of new tactile warning strips on platform edges
- Completed the renewal of the Cold Spring Harbor Station. Work included full updating of both station building restrooms – including new radiant floor heating, along with replacement of the station building roof, rehabilitation of the station's pedestrian overpass, and installation of tactile warning strips on platform edges.
- Undertook a renovation of the Jamaica Station Building restrooms. Work included a new ceiling, LED lighting, new wall paneling, new toilet partitions, tile floor, and replacement of bathroom fixtures.
- Began major improvements at the busy Hicksville Station, including new platforms, elevators, escalators, lighting, communication and CCTV security camera systems, along with customer enhancements including Wi-Fi, USB charging stations, station artwork, and interactive digital kiosks.
- LIRR will also be constructing a new platform at Jamaica Station, which will provide a dedicated location for future scoot train service between Jamaica and Brooklyn, as part of the East Side Access service plan.

- Another important customer initiative is the advancement of Station Enhancement Initiatives at 17 stations in Nassau and Suffolk County. This effort will improve the customer environment at selected stations, by providing the latest in customer-focused technology and enhancements, while also incorporating state of good repair improvements at stations.

Separately, the LIRR Main Line Expansion project has advanced into the environmental review and preliminary design phase. In May 2016, public hearings were held as part of the Scope Development process at locations throughout the corridor. This was part of a very extensive public outreach effort, whereby the community was able to provide comments via a number of venues, including visiting the project information center located at the Mineola train station. The LIRR Main Line Expansion project will improve commutes, safety, quality of life and the environment on Long Island by adding Third Track to the almost 10 mile segment of the Main Line in Nassau County and eliminating seven at-grade roadway crossings.

CUSTOMER SATISFACTION

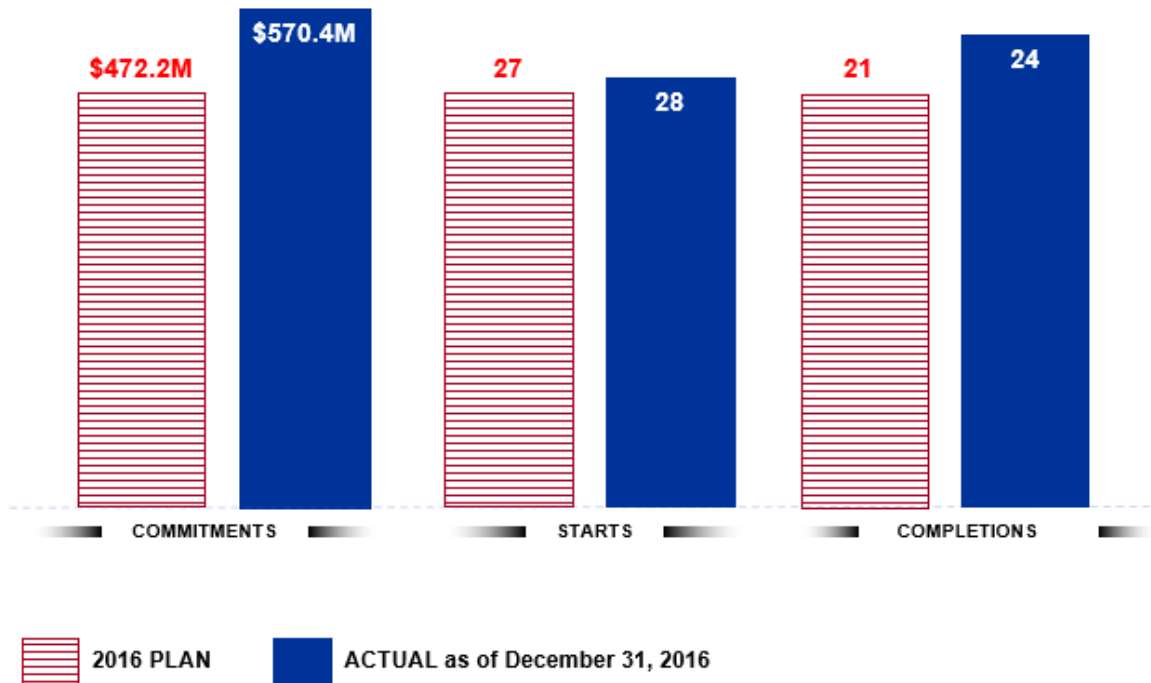
In 2016, the LIRR “Overall Customer Satisfaction” increased to 84% from 82% in 2015. Train service and home boarding stations received the same scores as 2016, at 82% and 86% respectively. The improved On Time Performance during the first half of 2016 and the restoration of several trains from the previous year helped contributed to the overall customer satisfaction increase.

CAPITAL IMPROVEMENTS

In 2016, the LIRR exceeded its Capital Program goals for Commitments, Starts, and planned Completions.

The LIRR’s 2016 capital commitments totaled over \$570.4 million. Significant Commitments included Jamaica Capacity Improvements, the 2016 Annual Track Program, Main Line Double Track Phase II, Hicksville Improvements, Wantagh Station Platform Replacement, New Elevators at Flushing Main Street and Post Avenue Bridge Replacement. The Rail Road’s 2016 capital completions totaled more than \$189.5 million. Among the major completions during the year were Atlantic Avenue Tunnel Lighting, Atlantic Branch Half-Ties, Fiber Optic Network Improvements, Replacement of the Main Line Ellison Avenue Bridge and Waterproofing and Rehabilitation of Various Bridges on the Main Line, Oyster Bay, and Montauk Branches.

2016 LIRR Capital Program Goals



In addition, the LIRR advanced construction on important elements within each infrastructure asset category. Both normal replacement and system improvement projects continued to progress in 2016.

System Improvements

- **Jamaica Capacity Improvements (JCI) Project:** Johnson Yard Reconfiguration was successfully completed in June 2016. JCI Phase I continues with improvements and modifications to the signal system and construction of a new platform in Jamaica Station.
- **Main Line Double Track:** Construction of Phase I from west of Central Islip to Ronkonkoma continued. Design and construction of Phase II from Central Islip to Farmingdale commenced. Work on the design and construction of a new signal system for the Ronkonkoma to Farmingdale Corridor commenced in 2016.

Signal & Communication Systems

- **Speonk to Montauk Signalization:** The installation of a new Automatic Speed Control Signal System from Speonk to Montauk is progressing. Currently the Montauk branch east of Speonk is "Dark Territory" – i.e. non-signalized.
- **Positive Train Control:** The design, integration, and furnishing of a Positive Train Control (PTC) system are ongoing. Improved delivery schedules for on-board and

wayside kits were established that will support installation and earlier utilization of PTC on more track segments and by a greater number of trains.

- **Fiber Optic Network:** Installation of fiber optic cable and associated equipment in select areas along the Main Line, Oyster Bay, Long Beach, and Port Jefferson Branches was completed in 2016.
- **PBX [Private Branch Exchange] Phone Replacement:** Portions of the existing PBX system were replaced with a new system that modernizes and integrates the wayside phones and accessories in substations, facilities, interlockings, and locations along the LIRR Right of Way.
- **Improved Radio Coverage:** New radio and communication equipment was installed and tested at five radio tower locations to allow radio to be transmitted over Internet Protocol [VoIP]. This upgrade ensures that the LIRR radio infrastructure continues to meet current and future FCC mandates.

Power

- **Port Washington Substation:** Replacement of the traction power substation and associated equipment commenced in 2016.
- **Substation Relay Replacement:** Multi-purpose relays were installed at selected traction power substations in 2016 to replace the existing DC breaker protection relays. Additional upgrades to the substations were installed to improve system reliability.
- **Atlantic Avenue Tunnel Lighting:** Replacement of the tunnel lighting system in the Atlantic Avenue Tunnel between Nostrand Avenue Station and Atlantic Terminal in Brooklyn was completed in 2016.

Shops and Yards

- **Hillside Facility:** Building roof rehabilitation was completed in 2016, including replacement of selected building roofs and roof components. Work also included roof and gutter repairs within the Hillside complex and installation of lightning protection systems.
- **Mid-Suffolk Yard:** Preliminary design was completed in 2016 for construction of a new Mid-Suffolk Yard for electric train storage south of the existing Ronkonkoma Yard. The new yard will provide additional storage capacity for 12-car electric trains with construction of up to 11 new layup tracks, a new traction power substation, walkways and driveways, and a new employee facility.

Station & Parking Improvements

- **Hicksville Station Improvements:** Rehabilitation of Hicksville Station and support work for the extension of North Track Siding commenced in summer 2016.

- **Flushing Main Street New Elevators and ADA Improvements:** Construction of 2 new elevators and station improvements commenced in March 2016. Project work includes a new westbound entrance and plaza on Main Street.
- **Wantagh Station Platform Rehabilitation:** Construction commenced in March 2016. Project work includes replacement of the elevated 12-car center island platform and escalator, repair of the understructure, and a new elevator between the station and platform level, along with other station improvements.
- **Murray Hill Station:** Design for two new elevators along with platform and street level improvements at Murray Hill Station on the Port Washington Branch in Queens, NY, was completed in summer 2016. Construction is planned to commence in spring 2017.
- **Enhanced Station Initiatives:** In 2016, Governor Andrew M. Cuomo announced a new Enhanced Station Initiative that would transform the customer environment at select LIRR and MNR stations. For Long Island, Stewart Manor, Bayside, East Hampton, Port Jefferson and Wyandanch stations were identified. The Enhanced Station Initiatives will deploy best practices and architectural and design consultants to identify significant station upgrades. These include new LED lighting, USB charging ports, Wi-Fi service, interactive digital kiosks and numerous other improvements to the station environments. An additional 12 LIRR station locations, beyond the original five stations, are being incorporated into this effort.

Track:

- **Atlantic Branch Half-Ties:** Completed the replacement of 27,367 deteriorated ties in the Atlantic Branch Tunnel between Jamaica and East New York in 2016.

Bridges

- **Colonial Road Improvements Project:** The new Colonial Road Bridge was opened to the public in May 2016. This bridge replaced the deteriorated 19th century roadway bridge which did not meet current engineering standards. The bridge maintains the current local vehicular traffic configuration over the LIRR Port Washington Branch. The project work includes extension of the existing Great Neck Pocket Track and the signal system design for the Pocket Track continues to progress in 2016.
- **Ellison Avenue Bridge Project:** The new two-lane Ellison Avenue roadway bridge opened in 2016. This replaced the deteriorated 1941 bridge. The new structure maintains the visual sense and character of the adjacent community.
- **2010-2014 Bridge Program:** Rehabilitation and waterproofing of selected bridges on the Main Line, Oyster Bay, and Montauk Branches was completed in 2016. This project also included a System-wide Comprehensive Bridge Assessment Study.
- **Post Avenue Bridge Replacement:** Design-Build work commenced in 2016 for replacement of the two-bay bridge on the Main Line in Nassau County with a new three-bay bridge structure.

Sandy Related Projects

- **Long Beach Branch:** Oil City Substation work continued with completion planned by the end of January 2017. Design-Build replacement of the Long Beach Substation continued in 2016. Furnish-Install work for Signal and Communications Equipment Foundations and Elevated Platforms was completed in 2016. Design-Build work for the Long Beach Signal System continued in 2016. A Furnish-Install Supervisory Control and Data Acquisition [SCADA] Contract was awarded in December 2016. Third Rail component replacement continues. On the Wreck Lead Bridge, the restoration work continues to replace the underwater cable, bridge electrical system, and the emergency generator for the LIRR's bridge over Reynolds Channel.
- **West Side Storage Yard Restoration:** Replacement of the following components in West Side Yard is progressing: signal, power, and other assets in the Yard, including switch machines, signal components, third rail components, switch heaters, and the facility's fire alarm systems. Replacement of third rail protection board, brackets, insulators, and cables also continues.
- **First Avenue Substation Restoration:** Design-Build work to provide new fully operational AC Switchgears continued in 2016 and is planned for completion in the 1st Quarter 2017.
- **Long Island City Yard Restoration & Resiliency:** Force account construction work continued in 2016. Design for third party construction contracts continued in 2016. The project involves the reconstruction of existing systems and track infrastructure in the electrified south portion of the yard as well as protective measures, such as a new flood wall to mitigate potential damages resulting from future storms and flooding.
- **River to River Resiliency (R4 Project):** In 2015 the R4 Project was one of 40 projects chosen nationally by the FTA to receive resiliency funding. The project will provide flood protection at multiple portals used by LIRR, Amtrak and New Jersey Transit. The LIRR has initiated procurement for the design of Flood Barrier Protection at the West Side Storage Yard and the Queens Portals of the East River Tunnels (ERT's).

The LIRR continued its investment in the MTA-wide Enterprise Asset Management (EAM) initiative. In 2016, LIRR focused on development of an asset inventory system for a select set of right of way assets. During 2017, LIRR will continue these efforts, focusing on integrating business processes and new technology to optimize maintenance resources and strengthen long term planning with up-to-date asset conditions, maintenance and lifecycle to improve asset performance. The EAM program will align with ISO55000 standards, Federal Transit Administration (FTA) requirements, and other industry "best practices."

SAFETY

An essential element of LIRR's mission is to ensure the safety of its customers, employees, and the communities it serves. LIRR's corporate safety program is designed to engage every employee in promoting the value of safety. It is a collaborative effort between the Corporate Safety Department and all LIRR operating and administrative departments.

"Think Safety / Act Safely: Working towards an accident-free workplace" is LIRR's comprehensive approach to enhance our safety culture and performance. New and revised corporate policies, department goals established by the Safety Goal Implementation Program (SGIP), new and enhanced training, detailed trend analyses, and field observations, are all directed towards engaging all employees in promoting the value of safety while ensuring accountability.

For 2016, LIRR experienced a positive trend with respect to most reporting areas. The number of FRA reportable employee accidents decreased from 2015 by 14%, and the case rate (the number of accidents per 200,000 hours worked) decreased by 20%. For employee accidents resulting in lost time, the number of accidents decreased from 2015 by 8%, and the lost time case rate (the number of accidents per 200,000 hours worked) decreased by 16%. The most common cause of employee injuries continue to be slips, trips, and falls. Departments are seeking to identify the behaviors that contribute to these accidents and address them in their employee awareness campaigns, field observations, and safety meetings.

The number of FRA reportable customer accidents decreased from 2015 by more than 25%, and the reportable case rate (the number of accidents per 1,000,000 rides) also decreased by more than 25%. Slips, trips and falls continue to be the most common category of customer injury. The LIRR will continue its customer outreach campaign, with its theme of "Let's Travel Safely Together" that includes videos, seat drops, announcements, and social media posts. The campaign focuses on customer behaviors such as carrying too many packages and luggage, and rushing to trains.

The LIRR accomplished the following in 2016:

- Conducted quarterly "Safety FOCUS days" across LIRR, each attended by approximately 4,000 employees. Conducted weeklong Safety, Health, and Wellness Events throughout the property on all tours focusing on seasonal safety trends, personal protective equipment, fire extinguisher safety, physical fitness, fatigue, and electrical safety.
- Completed system-wide implementation of the Confidential Close Call Reporting System (C3RS), a collaborative effort between management, labor, and the Federal Railroad Administration (FRA), that provides a mechanism for employees to confidentially report "close calls" that could have resulted in operating and safety incidents. Four corrective actions recommended by the Peer Review Team were implemented.
- Continued to work with MTAHQ, NYSDOT, Nassau and Suffolk counties, local government authorities, and a third-party consultant to develop improved safety measures at railroad grade crossings. Applied for and awarded a competitive FRA Infrastructure Safety Grant to implement enhancements at two crossings.
- Continued design and development efforts with Metro-North and a third party vendor for a new enterprise safety system. This system will replace LIRR's

existing mainframe-based Accident Control System that currently serves as the railroad's FRA accident-reporting system and the official depository of accident and incident data.

- Began implementing a "safety management systems" (SMS) approach to LIRR's overall safety program. The SMS approach, which has been endorsed by the FTA, the FRA, the federal DOT, other transportation authorities, supplements an engineering-centered process with increased attention to the "human element," data sharing, and measurements of safety performance.
- Implemented Customer Safety Awareness Days in partnerships with New Jersey Transit, Amtrak, and New York City Transit at Penn Station. Messaging focused on "Let's Travel Safely Together" highlighting how customer behaviors can help reduce customer accidents and injuries.
- Implemented a Labor Management Personal Protective Equipment (PPE) Partnership Committee to review corporate needs for PPE, assist in developing specifications, and piloting potential new PPE.

SECURITY

During 2016, the LIRR Office of Security implemented additional security measures at several railroad facilities, passenger stations and yards to enhance both employee and customer security. Major projects included installation of high-security electronic gates and fencing at three LIRR locations; security hardening at three LIRR yards; installation of video management systems at 8 LIRR station platforms; installation of 164 access-control devices; and the upgrade of security systems at 27 LIRR passenger stations.

New security measures included the installation of the first video management system at a railroad crossing and the implementation of a pilot key core replacement program at the Hillside facility.

Additionally, the Office of Security initiated the SII (Security Is Intelligence) Program at the LIRR Regional Security Command Center. Highly trained and qualified analysts utilize "news scraper" applications and social media monitoring to maintain a proactive posture and provide overall situational awareness in the form of daily reports and special bulletins.

MTA LONG ISLAND RAIL ROAD
2016 Year-End Report
2016 Adopted Budget and Final Estimate vs. Actual
December 2016

		<u>December Year-to-Date</u>			<u>Variance</u>	
		<u>Actual</u> <u>2016</u>	<u>Final</u> <u>Estimate</u>	<u>2015</u>	<u>vs. Final</u> <u>Estimate</u>	<u>vs.</u> <u>2015</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	51.4%	50.8%	51.0%	0.6%	0.4%
	Adjusted ⁽²⁾	60.4%	55.3%	61.5%	5.1%	-1.1%
Cost Per Passenger						
	Standard ⁽¹⁾	\$15.57	\$15.76	\$15.62	\$0.19	\$0.05
	Adjusted ⁽²⁾	\$14.23	\$16.05	\$13.92	\$1.82	(\$0.31)
Passenger Revenue/Passenger ⁽³⁾		\$8.01	\$8.01	\$7.97	\$0.00	\$0.04

		<u>December Year-to-Date</u>			<u>Variance</u>	
		<u>Actual</u> <u>2016</u>	<u>Adopted</u> <u>Budget</u>	<u>2015</u>	<u>vs. Final</u> <u>Estimate</u>	<u>vs.</u> <u>2015</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	51.4%	46.4%	51.0%	5.0%	0.4%
	Adjusted ⁽²⁾	60.4%	55.4%	61.5%	5.0%	-1.1%
Cost Per Passenger						
	Standard ⁽¹⁾	\$15.57	\$17.25	\$15.62	\$1.68	\$0.05
	Adjusted ⁽²⁾	\$14.23	\$15.51	\$13.92	\$1.28	(\$0.31)
Passenger Revenue/Passenger ⁽³⁾		\$8.01	\$8.01	\$7.97	\$0.00	\$0.04

(1) The Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits and Environmental Remediation (GASB-49).

(2) Adjusted Fare Box Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between the Long Island Rail Road and Metro-North Railroad and are being presented only at the railroad operating committees. These adjustments are not being used MTA-wide. Adjustments have been made to reflect all operating revenue and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB Current Payment expenses for retirees, and Removal of the UAAL associated with the LIRR's closed pension plan.

(3) Passenger Revenue/Passenger includes Bar Car Services



2016 ANNUAL RIDERSHIP REPORT

2016 ANNUAL RIDERSHIP REPORT

LONG ISLAND RAIL ROAD

EXECUTIVE SUMMARY

The LIRR set record ridership in 2016 finishing the year with 89.4 million passengers, which was 1.9% above the 2015 ridership, and the highest ridership since 1949. The railroad's ridership has grown 10.3% over five years, from 81.0 million in 2011. The Commutation market showed a 2.7% ridership increase, while the Non-Commutation market experienced a 0.9% ridership growth. Economic and demographic trends indicate ridership growth continuing into the future, as the workforce shows a greater reliance on the railroad than in previous decades.

2016 Ridership Summary

- In 2016, the LIRR sustained its strong ridership growth for the fifth consecutive year
- Total NYC Employment increased 2.8% during CY 2016 due to a steadily improving economy
- Customers reacted favorably to train service improvements
- Off-peak travel increased resulting from innovative marketing programs

ANNUAL RIDERSHIP 2016 VS 2015 (in millions)*

	Annual Ridership 2016	Annual Ridership 2015	% Change vs. 2015
Total Rail Ridership	89.35	87.65	1.9% ▲

*Annual ridership based on calendar adjusted total ticket sales

Major Factors and Initiatives Affecting Ridership

1. STRONG REGIONAL ECONOMY

- NYC Non-Agricultural employment increased 2.8% during CY 2016 vs. 2015
- Business and Professional Services employment increased 3.4%
- Education and Health employment increased 7.0%
- Financial Sector employment increased 1.3%
- Leisure and Hospitality employment increased 2.8%

2. TRAIN SERVICE IMPROVEMENTS

- During 2016, the LIRR posted favorable trends in both commutation and non-commutation ridership. A number of Service Enhancements were implemented:
 - The addition of two seasonal trains to the summer timetable provided customers with better connections with Fire Island ferries in Bay Shore, Sayville and Patchogue. Also, the additional service aimed at improving crowding conditions on trains serving the Hamptons and Montauk during the busy summer travel season.
 - The return of year-round weekend service to/from the Greenport Branch. Additional train cars were added to Greenport summer trains serving Long Island's North Fork, to better address ridership demands.
 - The LIRR made four additional post-game trains a permanent part of its service plan for all New York Islanders home games at the Barclays Center. In addition, for New York Islanders' weekend home games, LIRR is providing additional westbound, pre-game train service.

3. OTP AND CONTINUED FLEET RELIABILITY IMPROVEMENT

- System-wide on time performance improved 1.2% in 2016 reported 92.73% versus 91.63 in 2015.
- The LIRR train fleet achieved record levels of fleet reliability for the 17th year in a row, as measure distance between failures (MDBF).
- The overall fleet average of 211,975 miles between breakdowns vs. a goal 200,000 represented a 3,600 mile improvement over the previous year, achieving the highest rate of mechanical reliability since 1981.

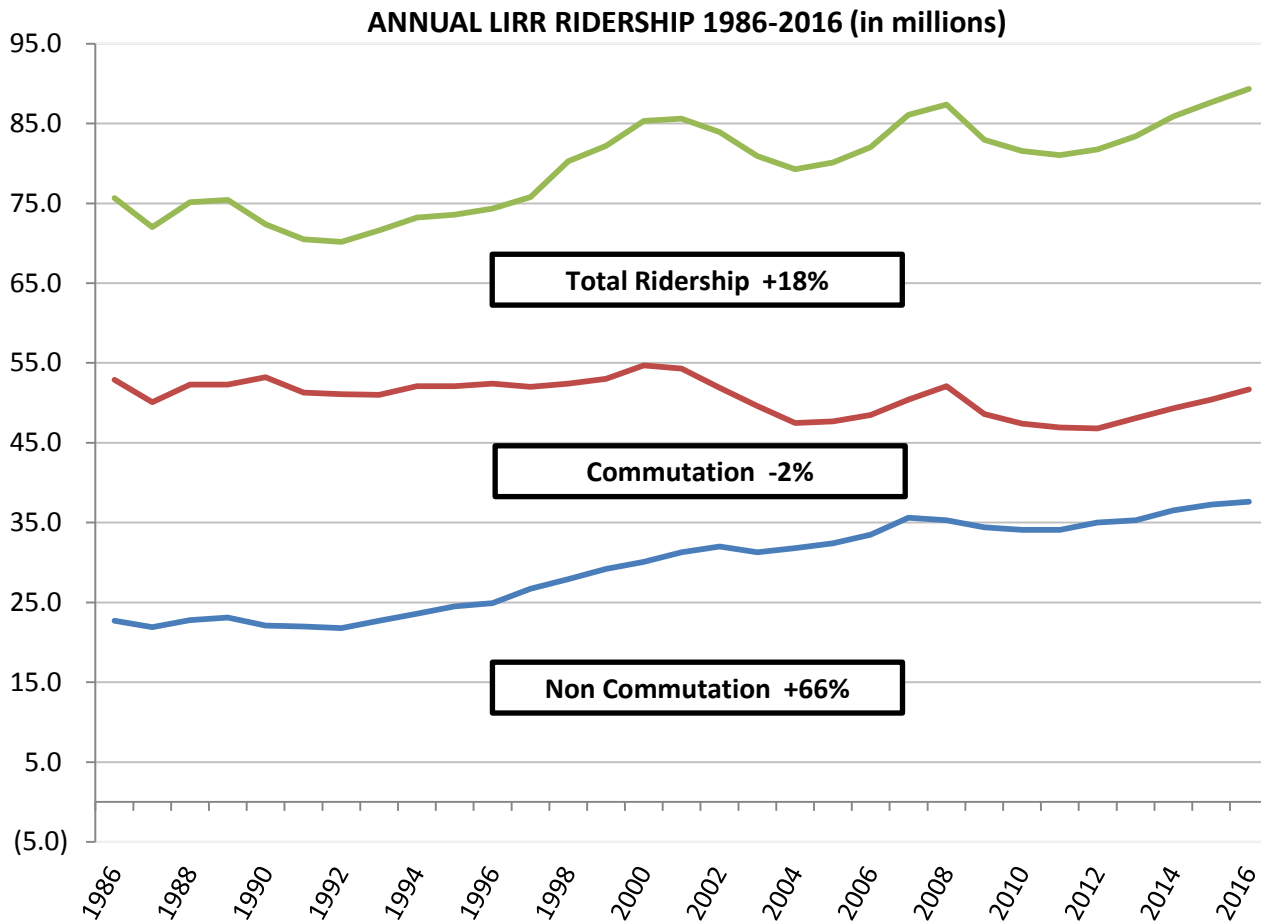
4. RIDERSHIP GROWTH OF DISCRETIONARY TRAVEL (SPORTS, ENTERTAINMENT AND LEISURE SEGMENTS)

- The LIRR provided additional Brooklyn service for customers attending New York Islanders games at the Barclays Center. This included special service during the Stanley Cup Playoff games. Special post-game train service was provided direct from Atlantic Terminal to Babylon and to Ronkonkoma Branches.
- During the Barclays Golf Tournament in August 2016, LIRR provided additional train service to/from Farmingdale Station. It is estimated that around 35,000 spectators, or approximately 20% of the total tournament attendees, utilized LIRR for travel to/from the golf tournament.
- Additional service was provided to the Montauk Branch to meet customer demand.
- The full Rollout of the first-ever Mobile Ticketing App (MTA eTix) was successful, resulting in \$25.2 million ticket revenue, since its launch on June 22nd, 2016. The App was used by 178k LIRR customers who bought 1.2 million tickets that accounted for 12% of all ticket sales (exceeding expectations of 5% growth).
- Introduced the first-ever LIRR Holiday Express Train – a reserved-seat holiday-decorated non-stop train from Ronkonkoma to Penn Station with on-board entertainment, giveaways and special discount to see Rudolph the Red-Nosed Reindeer: the Musical at MSG.
- Implemented a 5-theme general advertising campaign: "NYC Getaways", "LI Getaways", "Airport Connections", "Take the Train to the Game", and "MTA eTix". Used inventory assets, such as street displays, platform frames, car cards, digital and social media to brand the LIRR as the mode of choice for traveling.
- Used innovative marketing techniques (i.e. "Getaway Guy"), unique partnerships (i.e. with Gilt City), and new advertising media (i.e. digital billboards) to raise awareness of promotional programs.
- Created packages and special promotions with popular Broadway shows and major NYC venues including MSG, Barclays, and Forest Hills for entertainment events.

Long-Term Ridership Trends

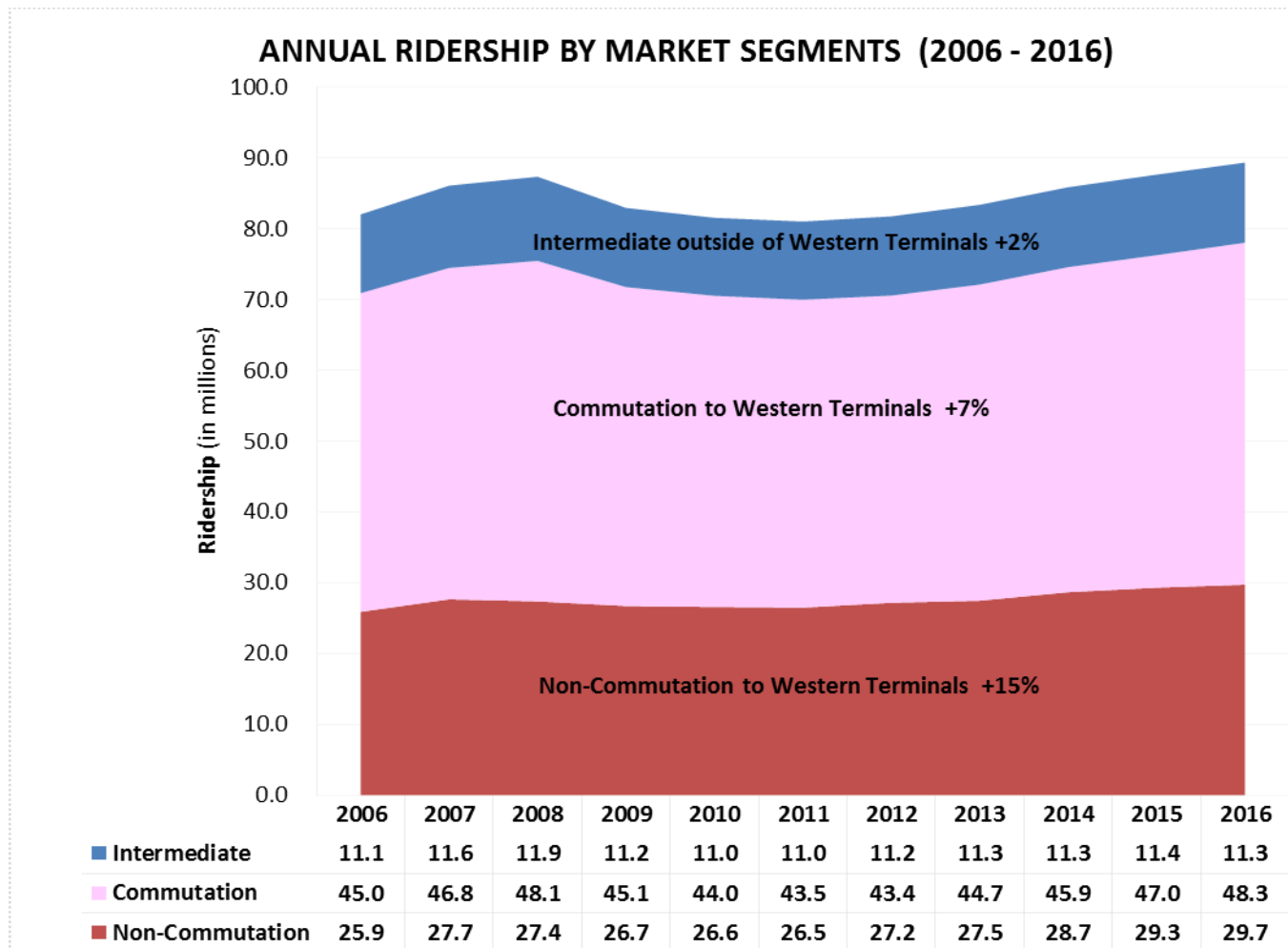
Ridership Trends

- Over the past 30 years, system wide ridership has grown by 18%
- Non-Commutation ridership has climbed reaching a 66% increase over the 30 year span, while Commutation ridership has shown a small decline in overall growth (-2%)



Ridership Trends by Market

- Over the past 10 years, significant growth has occurred in the Non-Commutation market, which grew 15%
- Commutation ridership to western terminals has increased by 7% since 2006
- Non Commutation growth increased due to favorable market/economic conditions and aggressive marketing programs/niche market segments (i.e., Barclays, NYC/LI Getaways, etc.)
- Intermediate ridership outside of western terminals has increased by 2% over the past 10 years



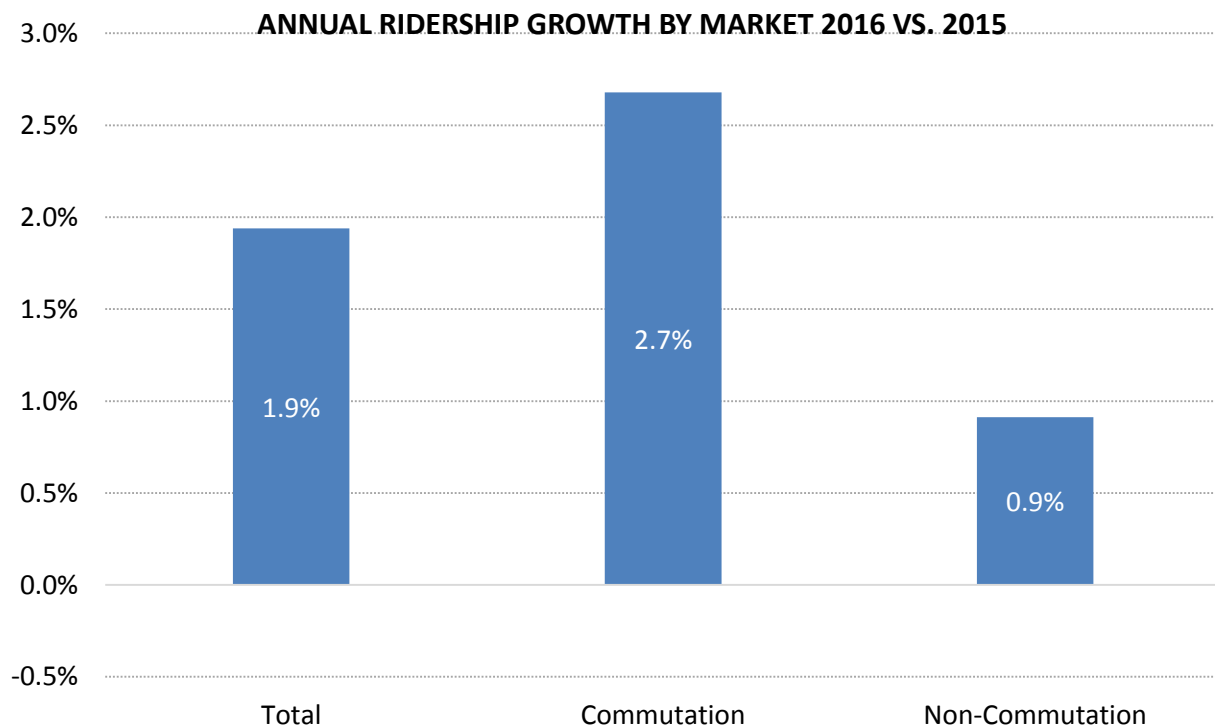
Market and Ridership Trend Analysis¹ (2016 vs. 2015)

Commutation

- 2016 Commutation ridership increased 2.7%, reflecting a continuation of the strong regional economic growth (including a 2.8% increase in NYC employment)
- Commuter travel remained strong supported by job gains particularly in the Business and Professional Services (+3.4%) as well as Financial Activities Sectors (+1.3%)
- Reverse Commute ridership decreased 0.1% in the AM Reverse, but increased 0.6% in the PM Reverse Peak periods

Non-Commutation

- 2016 Non-Commutation ridership increased 0.9%, reflecting growth trends of discretionary trips within this market
- Total Weekend ridership increased 0.9%. Saturday ridership travel increased 1.1% and Sunday ridership travel increased 0.7%.
- Off-peak weekday travel increased 1.4%



¹ Data is based on a combination of passenger counts and ticket sales

2016 vs. 2015 Branch Comparisons

- All LIRR Branches experienced ridership gains in 2016. The West Hempstead and City Zone Branches showed the highest percent increases, 6.5% and 4.7%, respectively. The Port Jefferson Branch has continued to maintain the highest ridership (19.0 million customers), followed by the Babylon Branch servicing 18.3 million compared to 2015.

RIDERSHIP BY BRANCH (in millions)*

Branch	Annual Ridership 2016	Annual Ridership 2015	% Change vs. 2015
Babylon	18,348,401	18,242,236	0.6%▲
City Zone	7,387,923	7,057,723	4.7%▲
Far Rockaway	6,127,963	5,931,677	3.3%▲
Greenport	59,365	58,216	2.0%▲
Hempstead	4,163,361	4,031,759	3.3%▲
Long Beach	4,923,744	4,822,457	2.1%▲
Montauk	2,306,084	2,303,670	0.1%▲
Oyster Bay	1,901,569	1,837,035	3.5%▲
Port Jefferson**	19,036,912	18,705,294	1.8%▲
Port Washington	14,087,743	13,802,816	2.1%▲
Ronkonkoma	9,998,448	9,906,530	0.9%▲
West Hempstead	1,010,165	948,633	6.5%▲

Legend: ▲ increase; ▼ decrease; ● no change

*Ridership data is based on ticket sales

**Port Jefferson Branch includes ridership from Huntington Branch

2017 Outlook

- In 2017, the LIRR expects to maintain the upward trend of ridership growth that was experienced in recent years. The continuing sustainable growth in NYC Employment provides support for commutation ridership trending similarly.
- The 2017 Northern Trust PGA Golf Tournament, at Glen Oaks Club in Old Westbury, N.Y., is expected to boost discretionary ridership.
- The LIRR Expansion Project will be underway in 2017 to provide greater reliability, as well as, reverse commute and intra-Island options.
- Foster new opportunities to build on the successful performance of Deals & Getaways and Group Sales in recent years. Introduce attractive NYC & LI value-added packages and capitalize on cross marketing opportunities with regional partners and venues to increase non-commutation ridership.
- Support the expansion of the Holiday Train concept to offer additional holiday trips to NYC or LI and the development of new themed-train trips.
- Provide support to the 2017 Long Island Project Pride Weekend at Long Beach, LI.
- Continue promotional partnerships with major local sports venues including the NY Mets and the NY Islanders.
- Ridership growth is expected to continue with several opportunities to serve all local airports, building incremental ridership growth of travel through the LIRR.
- In 2017, the LIRR will be monitoring the impact of the March fare increase and will continue to evaluate market demand to offer additional service opportunities, especially in the seasonal market.

2016 LIRR Annual Ridership Report Appendix

Additional ridership statistics are provided in an online appendix. Listed as an exhibit within the April 2017 Metro-North and LIRR Committee materials, the appendix is available at:

<http://web.mta.info/mta/news/books>



Long Island Rail Road

**Annual
Inventory
Report**

Procurement & Materials Management

2016 Inventory Report

Prepared April 2017

Long Island Railroad



Mission Statement



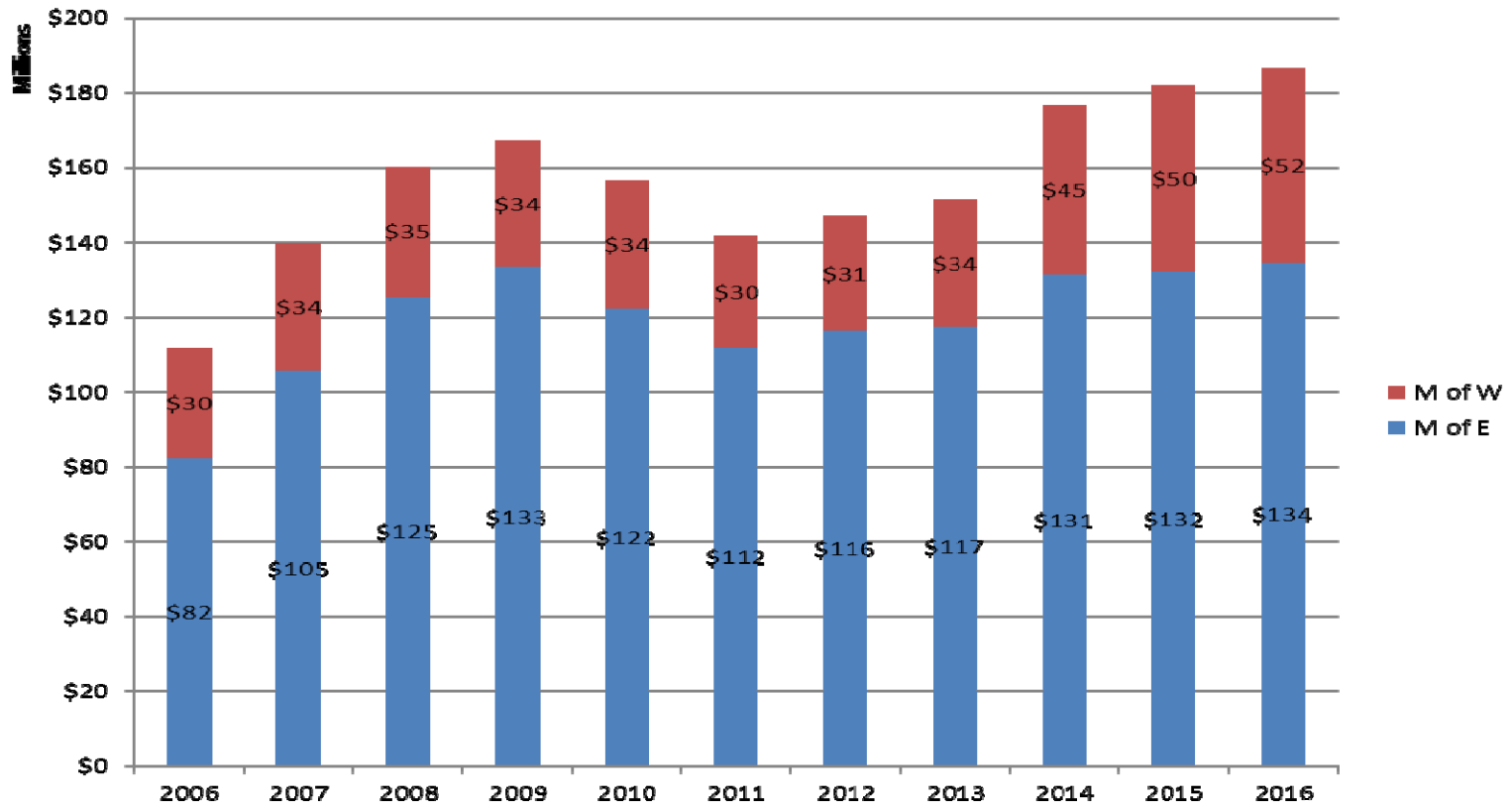
The mission of the Procurement and Logistics Department is to effectively support the LIRR's corporate charter to provide a safe, efficient and on-time rail transportation service. The availability of materials and supplies is critical to this endeavor. P&L is committed to maintaining adequate inventory levels, providing an accurate accounting of all material activity, establishing and maintaining optimal replenishment levels, while ensuring inventory management practices are cost efficient and cost effective.

Inventory Task Force

LIRR established an Inventory Task Force in April 2009. The Task Force established an action plan focused on root cause identification of issues and solutions for controlling inventory. Last year, actions recommended by the Task Force resulted in a 2016 budget-recognized cash saving of \$10.7 M.



Inventory by Department (Constant 2016 \$'s)



M of E

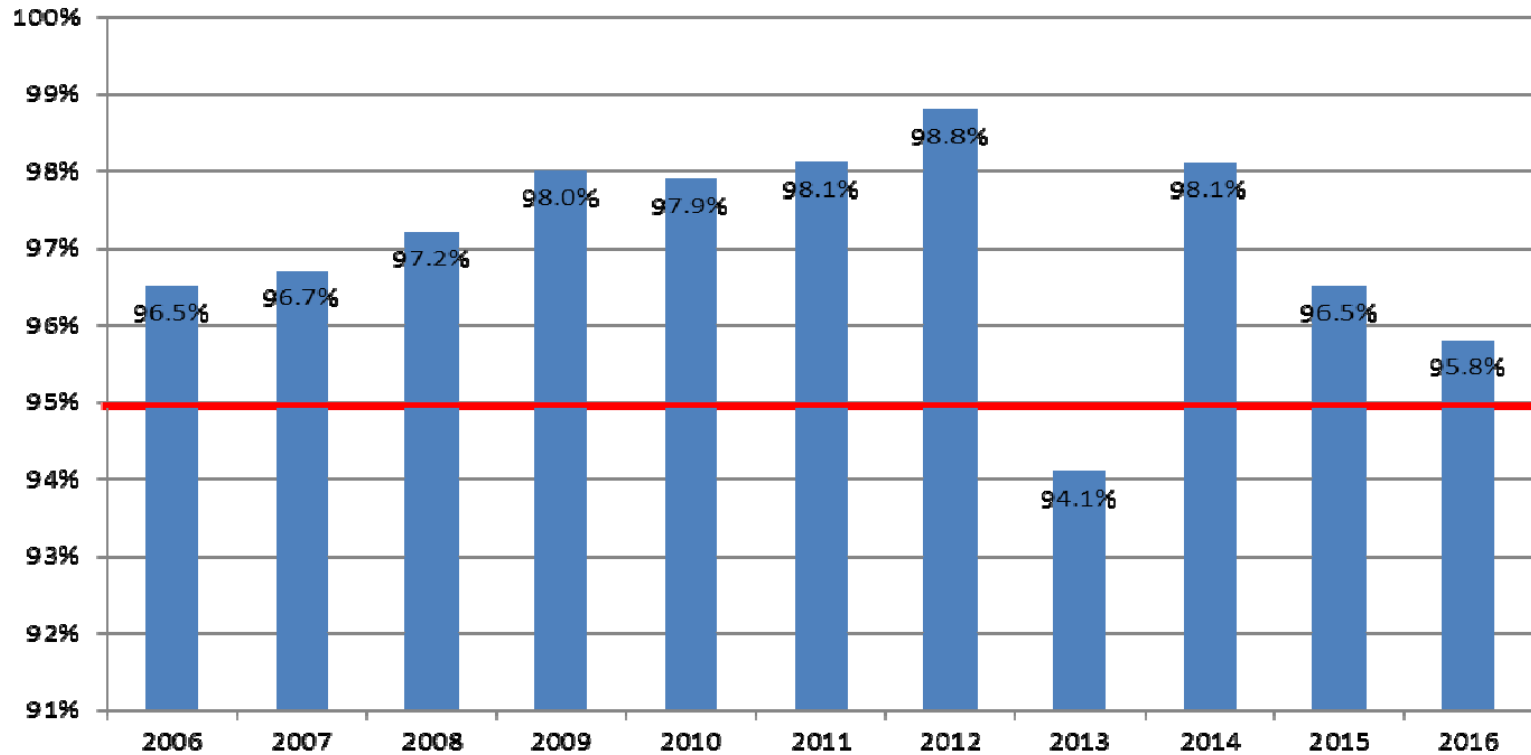
YTD increase of \$2.4 Million in total inventory value is a direct result of scheduled shipments of planned material to be used in 2017 Production Plan and was receipted for in 2016 to support the annual shop build requirements valued at \$9.4 Million.

M of W

The increase in total inventory value of \$2 Million is due to early delivery for 2017 Capital work.



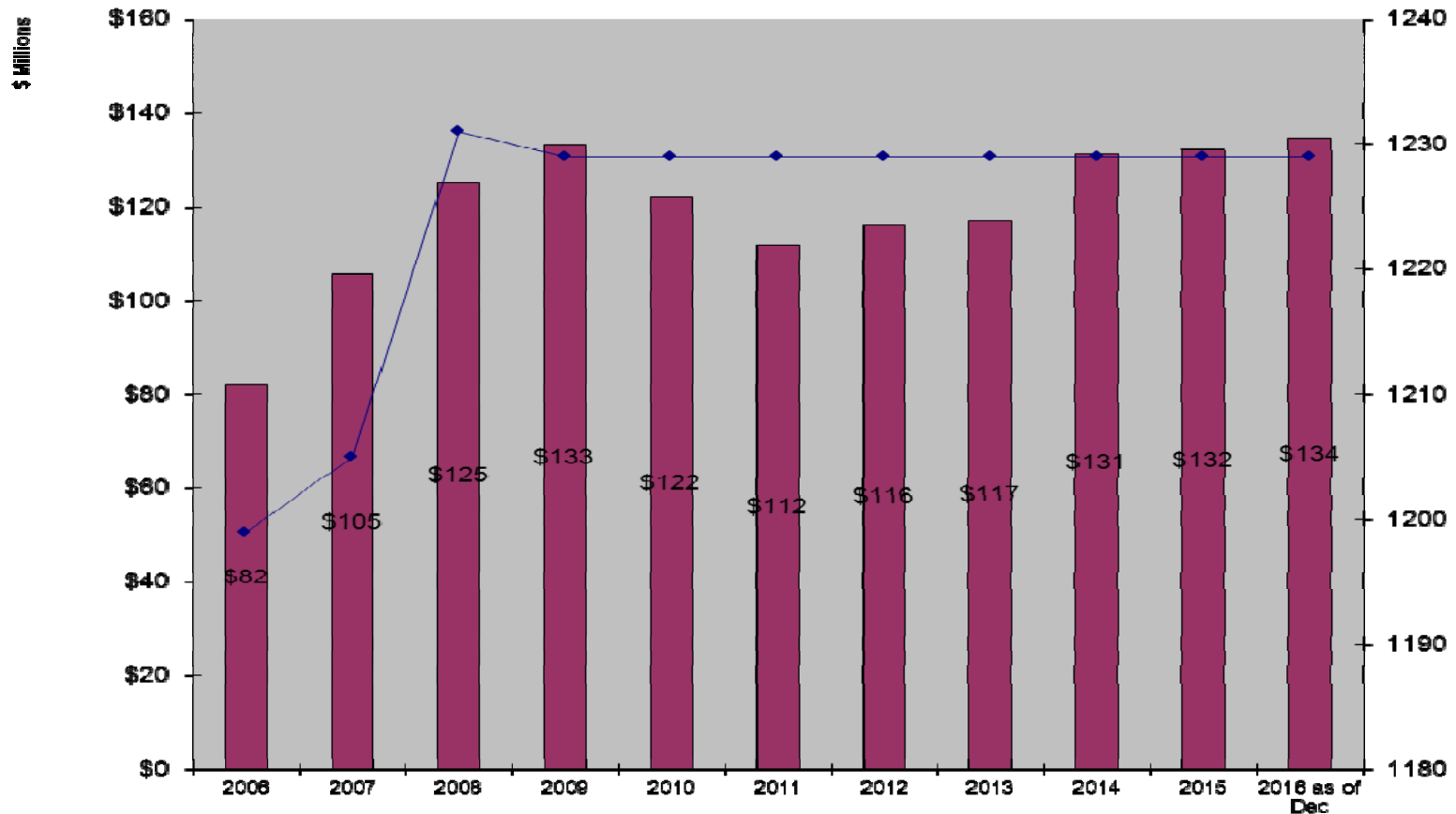
Material Availability 2006 thru Dec. 2016



- The LIRR service goal is 95%. This is computed as the percentage of times repair parts (“car part availability”) and working inventory is available when needed. Currently we are averaging 97.1% over the last 10 years.
- Car Part Availability = Commodities on hand for the MU/Diesel Fleet to be placed in service.
- Working Inventory = Inventoried Commodities with Reorder Level assignments that have material on hand and available for use.



LIRR Yearly Inventory by # of Railcars December 2016 (MoT Only) Constant 2016 \$'s



- The downward trend of on hand materials that began in 2009 started to plateau in 2012 as work on the M7 10-year truck program commenced.
- Recent increases in inventory value is driven by (i) significantly higher Average Unit Price (AUP) of components utilized in the RCM program when compared to older (M-1/M-3) fleets, and (ii) early delivery of 2017 Production Plan assets.
- The number of commodities in inventory has not significantly increased in the past ten years.



2016 Accomplishments

Challenge	Plan	2016 Goal	2016 YE Accomplishments
Maintain adequate inventory levels to support service level goals	<ul style="list-style-type: none"> Daily review of Reorder Levels Schedule JIT deliveries Improve planning/ coordination with Using Departments 	<ul style="list-style-type: none"> ➤ Reduce Inventory of current items by \$10.0M by 12/2016 ➤ Ensure Material Availability in support of RCM Program needs ➤ Roll out Task Force initiatives to include M/W assets 	<ul style="list-style-type: none"> ✓ Realized cash savings in excess of \$10.7M ✓ Maintained an average material availability - 97.1%
Reduce Excess / Inactive inventory	<ul style="list-style-type: none"> Determine disposition of Inactive Material Coordinate with Using departments tagging of material for sell/scrap or protect status 	<ul style="list-style-type: none"> ➤ Identify appropriate actions for excess / inactive material reduction opportunities ➤ 2016 Goal = \$1.75M Q1 - \$450K Q2 - \$450K Q3 - \$425K Q4 - \$425K 	<ul style="list-style-type: none"> ✓ Task Team continues to review and scrub data to identify areas for excess / inactive materials. YE sale/scrap of \$606K.
Non-Inventory Accountability	<ul style="list-style-type: none"> Deploy Task Team to review 2010 non-stock purchases Determine candidate Non-Stock Material that should be established into inventory Review spending patterns for disassociated non-stock purchases 	<ul style="list-style-type: none"> ➤ Reduce annual spend on Operating funded non-stock purchases by 5% Q3 - \$150K Q4 - \$150K ➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated 	<ul style="list-style-type: none"> ✓ Annual spend on non-stock purchases continues to trend favorably. ✓ Reductions in non-stock spending, over time, will increase overall inventory values as more items become "stock" and managed through the Task Force process ✓ Over 80,000 items linked to a LIRR stock account
Regular Tracking and Reporting	<ul style="list-style-type: none"> Establish indicators and corresponding reports for regular review and action 	<ul style="list-style-type: none"> ➤ Make proactive corrections prior to procurement process begins to ensure purchases meet actual need 	<ul style="list-style-type: none"> ✓ 100% of replenishment requisitions are analyzed before processing ✓ Key Performance indicators established , reported and tracked monthly

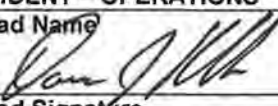




2017 Action Plan

Challenge	Plan	2017 Goal
Maintain adequate inventory levels to support service level goals	<ul style="list-style-type: none"> Daily review of Reorder Levels Schedule JIT deliveries Improve planning/ coordination with Using Departments Address changes to the Production Plan in a timely manner. Review and revise historical delivery schedules to better meet production plan/shop capacity objectives. 	<ul style="list-style-type: none"> ➤ Reduce Inventory of current items by \$5M by 12/2017 ➤ Ensure Material Availability in support of RCM Program needs <ul style="list-style-type: none"> • Expedite Report Updates • Timely Placement of Long Lead Requirements • Timely Placement of Mandated FRA Work ➤ Roll out Task Force initiatives to include M/W assets
Reduce Excess / Inactive inventory	<ul style="list-style-type: none"> Review excess/inactive material and identify commodities for sale/scrap Coordinate with Using departments tagging of material for sell/scrap or protect status 	<ul style="list-style-type: none"> ➤ Identify appropriate actions for excess / inactive material reduction opportunities ➤ 2017 Goal = \$2.0M <ul style="list-style-type: none"> Q1 - \$500K Q2 - \$500K Q3 - \$500K Q4 - \$500K
Non-Inventory Accountability	<ul style="list-style-type: none"> Task Team continues review of non-stock purchases Determine candidate Non-Stock Material that should be established into inventory Review spending patterns for disassociated non-stock purchases 	<ul style="list-style-type: none"> ➤ Reduce Y/E 2017 annual spend on Operating funded non-stock purchases by 5% <ul style="list-style-type: none"> Q1 - \$150K Q2 - \$150K Q3 - \$150K Q4 - \$150K ➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated
Regular Tracking and Reporting	<ul style="list-style-type: none"> Establish indicators and corresponding reports for regular review and action 	<ul style="list-style-type: none"> ➤ Make proactive corrections prior to beginning the procurement process to ensure purchases meet actual need ➤ Reduce/Re-Plan/Reject Requirements
Proper System Utilization	<ul style="list-style-type: none"> Sort out and Identify system enhancements to address needs 	<ul style="list-style-type: none"> ➤ Modify Maximo (Inventory System) to prevent miscoding of material issues.



Staff Summary

Subject MAY TIMETABLE CHANGE & SPRING TRACKWORK PROGRAMS						Date APRIL 5, 2017			
Department SR. VICE PRESIDENT – OPERATIONS						Vendor Name			
Department Head Name D. KUBICEK 						Contract Number			
Department Head Signature						Contract Manager Signature			
Project Manager Name									
Board Action						Internal Approval			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI COMM	4/24/17				3	Sr VP – Eng. 	1	President 
						2	VP Mktg & PA 		

PURPOSE:

This is to inform the Long Island Committee of the MTA Long Island Rail Road's plan to adjust schedules beginning May 22, 2017, through July 9, 2017. Projects supported during this timetable include Mechanized Tie Replacement on the Babylon Branch, Hicksville Station Rehabilitation on the Main Line, and Nostrand Avenue Station Rehabilitation on the Atlantic Branch. Continuing projects include East Side Access work in Harold Interlocking, Wantagh Station rehabilitation, West Side Yard Overbuild, Jamaica Capacity Improvements, Long Beach Branch post-Sandy restoration work, Atlantic Tunnel lighting and Vanderbilt (VD) Yard construction. Additionally, Trackwork Programs during April and May will support Second Track Construction on the Main Line between Brentwood and Ronkonkoma, and Grade Crossing Renewal on the Montauk Branch at Mastic-Shirley.

MAY 22 TIMETABLE CHANGE

Summer Services & Other Timetable Changes

- **East End Summer Services** – Summer service partially resumes on April 29 with the seasonal return of the additional weekend morning round trip service opportunity to and from Montauk. Another new service initiative for the East End is the introduction of the "Fisherman's Train," an early morning eastbound service opportunity from Ronkonkoma to Greenport, provided by converting an existing equipment train to a passenger train on a seasonal basis. Complete summer schedules begin on May 26. Full details will be provided next month.
- **Schedules Adjusted to Accommodate CitiField Events** – Two peak trains that have had their On Time Performance consistently impacted by Mets games and other events at CitiField have their schedules adjusted to more realistically reflect their operation as a result of extra stops and heavy ridership. The 6:14 PM train from Penn Station to Great Neck will arrive Great Neck 1 minute later.

and the 6:24 PM train from Penn Station to Port Washington will now arrive at stations Great Neck through Port Washington 2 minutes later.

Construction Activities

- **Atlantic Branch, Brook-East New York – Nostrand Avenue Station Rehabilitation** – One of two main tracks will be out of service midday weekdays between Atlantic Terminal and East New York for the rehabilitation of Nostrand Avenue Station, as well as continued tunnel lighting and VD Yard construction work.
- **Main Line, Hicksville Station Rehabilitation** – Station Track 1 and Platform A will be out of service continuously in support of the Hicksville Station Rehabilitation project. The outage will allow the replacement of Platform A.
- **Montauk Branch, Port-Amity – Mechanized Tie Replacement** – One of two main tracks will be out of service midday weekdays for Mechanized Tie Replacement between Freeport and Amityville.
- **Montauk Branch, Port-Wantagh – Wantagh Station Rehabilitation** – One of two main tracks will be out of service overnight between Freeport and Wantagh for the continuation of Wantagh Station Rehabilitation work.

TRACK WORK PROGRAMS

- **Main Line, Brentwood-Ronkonkoma – Switch Removal & Main Line Second Track Construction** – The single main track will be out of service between Brentwood and Ronkonkoma for removal of a temporary switch and construction related to the Main Line Second Track project for 24 hours on Saturday, April 15.
- **Montauk Branch, Patchogue-Montauk – Grade Crossing Renewal at William Floyd Parkway in Mastic-Shirley** – The single main track will be out of service between Patchogue and Montauk for renewal of the William Floyd Parkway grade crossing in Mastic-Shirley for 24 hours on Saturday, May 13. This work was originally reported in March but was postponed.

DISCUSSION:

Timetable Change – Construction Activities

- **Atlantic Branch, Brook-East New York – Nostrand Avenue Station Rehabilitation** – One of two main tracks will be out of service midday weekdays between Atlantic Terminal and East New York for the rehabilitation of Nostrand Avenue Station, as well as continued tunnel lighting and VD Yard construction work. As a result, midday trains on the Hempstead and Far Rockaway Branches are adjusted between 6 minutes earlier and 4 minutes later. In order to preserve connections at Jamaica for these adjusted trains, some midday Babylon, Huntington and Ronkonkoma Branch trains are adjusted between 4 minutes earlier and 4 minutes later.
- **Main Line, Hicksville Station Rehabilitation** – Station Track 1 and Platform A (the North Platform) will be out of service continuously in support of the Hicksville Station Rehabilitation project. The outage will allow the complete replacement of Platform A. For the duration of this timetable, all trains will operate from Platform B in Hicksville (Station Tracks 2 & 3). Due to the reduction in capacity through the station, there are track changes and schedules adjustments necessary to both Peak and Off Peak trains serving Hicksville Station. During the AM Peak, schedules remain the same, but many track changes will occur. Middays, the three pairs of trains to and from Port Jefferson that normally

terminate/originate at Hicksville are adjusted so that transfers between diesel and electric trains will occur at Huntington or Jamaica. Other midday trains passing through Hicksville are adjusted between 3 minutes earlier and 5 minutes later. In the PM Peak, two trains that normally terminate in Hicksville will instead terminate at Westbury. Those two trains are the 5:33 PM train from Penn Station to Hicksville, and the 6:01 PM train from Penn Station to Hicksville. As a result of this, the connection that normally occurs at Hicksville between the 6:01 PM train from Penn Station to Hicksville and the 6:08 PM train from Hunterspoint Avenue to Port Jefferson train will occur at Westbury. Customers for stations Hicksville through Port Jefferson will detrain from the 6:01 PM train from Penn Station at Westbury at 6:38 PM. Customers wishing to continue on to Hicksville will board a Ronkonkoma train with an added Westbury stop at 6:43 PM. Customers for stations Syosset through Port Jefferson will board the Port Jefferson diesel with an added Westbury stop at 6:46 PM.

- **Montauk Branch, Port-Amity – Mechanized Tie Replacement** – One of two main tracks will be out of service midday weekdays for Mechanized Tie Replacement between Freeport and Amityville. In order to provide the double block, service east of Freeport is reduced. Instead of half-hourly local service to and from Babylon, there will be hourly local service, operating on adjusted schedules with the remaining pair of locals each hour operating between New York and Freeport only. The expresses serving as scoot connections at Babylon will continue to operate, but on adjusted schedules and with added stops to improve service intervals at some stations where local service has been reduced. As a result, some midday diesel train trains between Babylon and Patchogue/Speonk have been adjusted up to 6 minutes later.
- **Montauk Branch, Port-Wantagh – Wantagh Station Rehabilitation** – One of two main tracks will be out of service overnight between Freeport and Wantagh for the continuation of Wantagh Station Rehabilitation work while Mechanized Tie Replacement occurs during the midday. As a result, some weekday and weekend overnight trains are adjusted between 11 minutes earlier and 5 minutes later.

Trackwork Programs – Construction Activities

- **Main Line, Brentwood-Ronkonkoma – Switch Removal & Main Line Second Track Construction** – The single main track will be out of service between Brentwood and Ronkonkoma for removal of a temporary switch and construction related to the Main Line Second Track project for 24 hours on Saturday, April 15. Eastbound customers traveling to Central Islip and Ronkonkoma will board buses at Brentwood for their stations, and will experience up to 34 minutes additional travel time. Westbound customers from Ronkonkoma and Central Islip will board buses for Brentwood, where train service will resume. Westbound buses will depart up to 34 minutes earlier than normal train times in order to connect with trains at Brentwood. Customers traveling between Ronkonkoma and Greenport will have train service on adjusted schedules to connect to and from buses at Ronkonkoma. In addition, three trains in each direction, which normally provide half-hourly service between Ronkonkoma and Penn Station during certain day parts, will originate or terminate at Farmingdale.
- **Montauk Branch, Patchogue-Montauk – Grade Crossing Renewal at William Floyd Parkway in Mastic-Shirley** – The single main track will be out of service between Patchogue and Montauk for renewal of the William Floyd Parkway grade crossing in Mastic-Shirley for 24 hours on Saturday, May 13. Eastbound Montauk Branch trains will terminate at Patchogue, where customers will transfer to buses for stations Bellport through Montauk. Customers can expect to arrive at their destination up to 29 minutes later than normal. Westbound Montauk Branch trains will originate at Patchogue, with customers from stations Montauk through Bellport boarding buses at their stations for Patchogue, where they will transfer to trains. Westbound buses will depart origin stations up to 34 minutes earlier than normal train times.

Public timetables and other informational material will be issued providing details of service.

IMPACT ON FUNDING

Funding for these projects is contained in the Long Island Rail Road Operating and Capital budgets.



Metro-North Railroad

Procurements



Subject	Request for Authorization to Award Various Procurements
Department	Procurement and Material Management
Department Head Name	Alfred Muir, Sr. Director
Department Head Signature	
Project Manager Name	

Date	April 12, 2017
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	4-24-17	X		
2	MTA Board Mtg.	4-26-17	X		

Internal Approvals			
	Approval		Approval
X	President 		
	Executive V.P.	X	V.P. Capital Programs
X	Sr. V.P. Operations 	X	V.P. & General Counsel 
X	VP Finance & IT		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
_____	_____	_____	_____	_____	_____	_____	_____

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, and to inform the MTA Metro-North Railroad Committee of these procurement actions.

DISCUSSION:

MNR proposes to award non-competitive procurements in the following categories:

of Actions \$ Amount

Schedules Requiring Two-Thirds Vote (or more, where noted)

NONE

Schedules Requiring Majority Vote

NONE

SUB TOTAL:

MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	2	\$33,945,700
<ul style="list-style-type: none"> Halmar International LLC \$9,445,500 Ansaldo STS, USA, Inc. \$24,500,200 		

Schedules Requiring Majority Vote NONE

SUB TOTAL: 2 \$33,945,700

MNR presents the following procurement actions for Ratification:

Schedules Requiring Two-Thirds Vote (or more, where noted) NONE

Schedules Requiring Majority Vote NONE

SUB TOTAL:
TOTAL: 2 \$33,945,700

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

BUDGET IMPACT: The purchases/contracts will result in obligating MNR operating and capital funds in the amount listed. Funds are available in the current MNR operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

APRIL 2017

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)

(Staff Summaries required for items requiring Board approval)

1. Halmar International LLC \$9,445,500 (not-to-exceed) Staff Summary Attached
Design-Build for the Prospect Hill Bridge Replacement

Approval is requested to award a 20-month competitively solicited and negotiated design-build (DB) contract (RFP process, six proposals received; 3 short-listed) to the firm, Halmar International LLC (Halmar) for the design and construction of the Prospect Hill Road Bridge located over the Harlem Line in the MNR Brewster Yard south of the Southeast train station.

MNR complied with MTA All-Agency Procurement Guidelines and a notice of the Request for Proposal was publicly advertised in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and posted on the MNR website. The Selection Committee evaluated six proposals and short-listed three firms. The Committee unanimously determined that Halmar was the best qualified to perform the subject services. Halmar's cost proposal was the lowest of the shortlisted firms. Halmar's negotiated not-to-exceed amount of \$9,445,500 is 3% lower than the Engineer's estimate and is considered fair and reasonable. A responsibility review was conducted and Halmar was found to be a responsible vendor.

Accordingly, it is recommended that the Board approve the selection of Halmar for the design and construction of the replacement of the Prospect Hill Road Bridge. This procurement is to be federally funded and is part of the MTA 2015-2019 Capital Program.

2. Ansaldo STS USA, Inc. \$24,500,200 Staff Summary Attached
Design & Furnish Pre-Wired Signal Houses & Cases from CP-229 (Greenwich, CT) to CP-243 (East Norwalk, CT)

Approval is requested to award a competitively solicited (two proposals received) 56 month contract to Ansaldo STS USA, Inc. to perform application engineering/design prior to fabricating and delivering new pre-wired communications and signal houses and cases. These houses and cases will be located in Connecticut from Greenwich to East Norwalk and will be installed by MNR forces.

The scope of work includes: detailed engineering/design of all hardware, software, and system configuration requirements; manufacturing and delivering signal equipment with software, control panels, computer engineering application package, portable diagnostic test set, training rack, and backup reliability equipment; providing MNR employee training on system servicing and maintenance and

providing on-site field support during MNR's installation of the equipment. Further, these signal houses and cases will be compatible with and necessary to support the future PTC (Positive Train Control) system.

On September 29, 2016, RFP No. 70528 was advertised in the New York State Contract Reporter, the New York Post and the Daily Challenge and posted on the MNR website. In addition, a direct outreach was made by MNR Procurement to prospective contractors. On November 18, 2016, two technical and cost proposals were received from Alstom Signaling ("Alstom"), and Ansaldo STS-USA, Inc. ("Ansaldo").

After considering the proposers' technical capability and price to provide the required services, the Selection Committee unanimously determined that Ansaldo STS USA, Inc. was the best qualified vendor to provide the required services. Additionally, Ansaldo has demonstrated their capability of providing the desired professional and quality services required based upon prior work performed under previous MNR contracts. Ansaldo's price of \$24,500,200 is 9.59% below the in-house estimate. MNR has found Ansaldo's cost proposal to be fair and reasonable for the level of effort anticipated for this project.

In connection with the review of the Contractor's responsibility pursuant to the All-Agency Responsibility Guidelines, the Contractor was found to be responsible notwithstanding significant adverse information and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel.

The Connecticut DOT recommended a 0% goal for subcontracting to Small/Minority Business Enterprises due to the lack of available certified firms in their database to provide the required manufacturing, related services and or other supplies. This procurement is to be funded 100% by the State of Connecticut Department of Transportation.

Staff Summary

Item Number C					
Dept & Dept Head Name: Procurement and Material Management, Al Muir-Sr. Director					
Division & Division Head Name: Executive Vice President, Catherine Rinaldi					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	4-24-17	X		
2	MTA Board Mtg.	4-26-17	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President				
X	Sr. V.P. Operations	X	V.P. Finance & IT		
X	V.P. & General Counsel	X	V.P. Capital Programs		

SUMMARY INFORMATION	
Vendor Name Halmar International LLC	Contract Number 10000071252
Description Design-Build for the Prospect Hill Bridge Replacement	
Total Amount \$9,445,500 (not-to-exceed)	
Contract Term (including Options, if any) 20 months	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to award a 20-month competitively solicited and negotiated design-build (DB) contract (RFP process, 6 proposals received; 3 short-listed) to Halmar International LLC (Halmar) to design and construct the complete replacement of the Prospect Hill Road Bridge located over the Harlem Line in the MNR Brewster Yard south of the Southeast train station.

II. DISCUSSION:

The Prospect Hill Road Bridge (built in 1910) is located at Milepost HA 53.04 of the Harlem Line. The bridge is located approximately 0.16 mile south of MNR's Southeast Train Station. The bridge which is now closed to vehicular traffic carried two lanes of traffic. Its superstructure consists of four spans: Spans 2 and 3 are 105'-6" long and are each carried by two through steel Warren trusses with a height of 9'-3" and 18 inches deep I-section transverse steel floor beams. Spans 1 and 4 are 30 feet long and are each supported by two 42 inches deep built up steel girders, which are laterally supported by 18 inches deep I-section transverse steel floor beams. The existing deck consists of 2-3 inches deep asphalt pavement over 3 inches of wood plank decking. The timber decking is supported by longitudinal timber stringers. The substructure consists of two concrete abutments and two steel piers. A center concrete pier is located between the two through trusses.

The major elements of the Design/Build Prospect Hill Road Bridge include:

- Demolition and removal of bridge, piers, abutments, roadway approaches and clearing and grubbing. Excavation for utility removal and re-installation, and for structural work.
- Construction of new (relocated) utilities including communications, signals, and power.
- Install new abutments, piers, bridge substructure and superstructure, roadway approaches, sidewalk, striping, signage, guide rails, fencing, retaining walls, grading and drainage.
- Establish temporary employee parking lot.
- Site restoration

In July 2016, the Board approved use of the RFP process. A Request for Proposal (RFP), dated November 23, 2016, was prepared and advertised in the New York State Contract Reporter, New York Post, El Dario, Daily Challenge and posted on MNR's website. On January 24, 2017, proposals containing qualifications from six design-build teams were received.

The criteria for selection established in the RFP are as follows:

Staff Summary

1. Demonstrated understanding of the Work Scope requirements, including but not limited to the quality and completeness of the Work Plan and any required submissions.
2. Past experience and performance on similar projects:
 - (a) Design-Build Projects, including experience of the proposers working together as a Design Build Team
 - (b) Bridge Construction Experience.
3. Qualifications and experience of the Design-Build team, including key personnel and Subcontractor/Subconsultant resources, with an emphasis on the demonstrated commitment of the Proposer to provide such resources for the entire life of the project.
4. Confidence level, commitment of relevant resources to the project including the qualifications and experience of key personnel, team qualifications and reliability to perform the Services including Subcontractor Services.
5. Quality and Innovativeness of Design.

The Selection Committee was comprised of members representing MNR's Procurement and Material Management, Capital Engineering, M of W Track & Structures and Construction Management Departments. The Committee evaluated all proposals received in accordance with the selection criteria of the RFP and MNR's procedures. Three firms were shortlisted as a result of the Selection Committee meeting: Halmar International LLC, John Civetta & Sons, Inc. and Defoe Corp. The three short-listed firms submitted technical proposals, including cost. The Committee invited the three shortlisted firms to prepare an oral presentation. Following oral presentations, all three firms were deemed to be technically competent, capable, and compliant with the contract terms and conditions and preliminary design.

Final prices (inclusive of option items) were submitted. Gross sum proposal prices were received in the following amounts: 1) Halmar International LLC at \$9,482,000; 2) John Civetta & Sons, Inc. at \$12,797,262; 3) Defoe Corp. at \$16,229,000. In accordance with the criteria for selection, the Selection Committee unanimously recommended contract award to Halmar. Halmar not only offered the lowest proposal price but proposed viable design alternatives and construction concepts that were deemed to be well engineered, time/labor efficient, and compliant with the intent of the preliminary design. In addition, Halmar agreed to decrease the period of performance by one month and negotiations resulted in the reduced not-to-exceed contract value of \$9,445,500. Halmar has extensive experience with replacement of bridges within MNR's right-of-way, including the replacement of Bridge Street Bridge in Irvington (HU 22.75) & HU 57.53 over Fishkill Creek. Halmar was also the design-builder of MNR's Yankees – E. 153rd Street Station. A responsibility review was conducted and Halmar was found to be a responsible vendor.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established 20% DBE goal for this project. Halmar's pre award DBE submittal package is currently under review by DDCR and the contract will not be awarded until DDCR requirements have been satisfied.

IV. IMPACT ON FUNDING:

Board approval is requested in the not-to-exceed amount of \$9,445,500. This procurement is to be federally funded and is part of the MTA 2015- 2019 Capital Program.

V. ALTERNATIVES:

MNR does not have the available in-house staff with both the expertise and capability to perform the required design and construction services as specified

Staff Summary

Item Number C					
Dept. & Dept. Head Name: Procurement & Material Management, Al Muir, Sr. Director					
Division & Division Head Name: Executive Vice President, Catherine Rinaldi					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	4-24-17	x		
2	MTA Board Mtg.	4-26-17	x		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	V.P. Finance & IT		V.P. Planning		
X	V. P. Capital Programs	X	V.P. & General Counsel		

SUMMARY INFORMATION	
Vendor Name Ansaldo STS USA, Inc.	Contract Number 70528
Description New Haven Line Pre-Wired Signal Houses and Cases for CP-229 to CP-243	
Total Amount \$ 24,500,200	
Contract Term (including Options, if any) 56 months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP Bid Other:	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: CDOT	

Narrative

I. PURPOSE/RECOMMENDATION:

To obtain MTA Board approval to award a contract to Ansaldo STS USA, Inc. to perform application engineering (design) prior to fabricating and delivering 18 new pre-wired communications and signal houses and 33 cases for the New Haven Line from CP-229 to CP-243. The period of performance for this contract is 56 months.

II. DISCUSSION:

This section of the existing wayside signal infrastructure has reached the end of its useful life. MNR has an immediate requirement to retain a vendor to perform application engineering and final design prior to fabricating and delivering new pre-wired signal houses and cases. These houses and cases will be installed by MNR forces at locations between Greenwich and East Norwalk, Connecticut. Further, these signal houses and cases will be compatible with the future PTC system.

The scope of work includes:

- Detailed engineering/design of all hardware, software, and system configuration requirements.
- Manufacturing and delivering signal equipment with software, control panels, computer engineering application package, portable diagnostic test set, training rack, and spare parts.
- Providing MNR employee training on system servicing and maintenance.
- Providing onsite field support during MNR's installation of the equipment.

On September 29, 2016, RFP No. 70528 was advertised in the New York State Contract Reporter, the New York Post and the Daily Challenge and posted on the MNR website. In addition, a direct outreach was made by MNR Procurement to prospective contractors. On November 18, 2016, two technical and cost proposals were received from Alstom Signaling ("Alstom"), and Ansaldo STS-USA; Inc. ("Ansaldo").

The criteria for selection established in the RFP were as follows:

- 1. Technical Capability:** Ability to provide technical services, equipment and systems as required in the RFP, including but not limited to quality and completeness of the required engineering, testing, training and documentation. Requirement to provide applicable licenses.
- 2. Experience:** Identify previous work over the last ten years similar to the requirements of this RFP. Demonstrate qualifications and availability of key personnel, including a commitment that the key resources remain constant throughout the project, including sub consultant/subcontractor services.
- 3. Cost:** Completeness and competitiveness of cost and price submittal.
- 4. Project Plan:** Proposer's demonstrated ability to manage and coordinate the Work in the RFP.

The Selection Committee was comprised of five members representing MNR's Procurement and Material Management and Maintenance of Way Departments. The Committee evaluated the two proposals received in accordance with the selection criteria of the RFP and MNR's procedures. Committee members all agreed that Alstom's proposal was non-responsive to the needs of the RFP. Alstom's proposal was technically noncompliant in significant respects, indicating a lack of understanding of the specific technical requirements of the RFP. For example, Alstom's solution to interfacing with MNR's recently installed signal system on the west end of the project requires MNR to remove a portion of its newly installed redundant fiber optic based system and to install over a mile of non-redundant copper signal cable that is not being provided in this project. This would be a significant extra cost to MNR. In addition, Alstom's proposal requires MNR to add relays at the newly installed signal location of the proposed interface where the goal of this project is to reduce the number of vital relays to cut down on maintenance costs associated with the regular FRA testing required when using relays. Alstom also stated that they were not going to be responsible for design changes at the existing signal location to make the interface work even though the contract specifications required the signal vendor to handle all aspects of the interface design.

Overall, the Alstom proposal was vague, generic, poorly written and made references to performing work at locations that were not part of the geographic scope of work. It was also discovered that while Alstom stated in their proposal that the application engineer (who was a key person on the design team) was going to be guided by two other Alstom employees (who had experience working on MNR signal systems), both of those employees had left the company prior to the submission of the Alstom proposal. In addition, there have been recent performance issues on other MNR signal projects previously awarded to Alstom, which require resolution before MNR can endorse further awards to Alstom for such work. The initial cost submitted by Alstom was very low, but so low – at 50% of the independent Engineer's Estimate – as to reinforce the conclusion that Alstom failed to adequately account for all of equipment and engineering that will be required to successfully perform the work. Based on all of the above factors, the Committee chose not to short-list Alstom as all committee members concluded that Alstom failed to demonstrate that it could perform the work as set forth in the technical requirements. As a result of the aforementioned, the committee chose not to bring Alstom in for a short-list presentation.

The Committee unanimously selected Ansaldo STS USA, Inc. (Ansaldo) as the recommended firm to perform the subject work. The Committee felt that Ansaldo had submitted an excellent and compliant proposal which demonstrated that they had the required technical ability and good experience doing this type of work. In addition, Ansaldo presented a detailed and organized project plan and their price of \$24,500,200 was 9.59% below the engineer's estimate.

MNR completed a Responsibility review of Ansaldo in connection with this award recommendation. In connection with the review of the Contractor's responsibility pursuant to the All-Agency Responsibility

Staff Summary

Guidelines, the Contractor was found to be responsible notwithstanding significant adverse information and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel.

III. CONNECTICUT STATE FUNDED SBE/MBE SUBCONTRACTING REQUIREMENTS:

The Connecticut DOT recommended a 0% goal for subcontracting to Small/Minority Business Enterprises due to the lack of available certified firms in their database to provide the required manufacturing, related services and or other supplies.

IV. IMPACT ON FUNDING:

At this time, Board approval is requested in the amount of \$24,500,200. As noted above, this project is 100% funded by ConnDOT.

V. ALTERNATIVES:

MNR and ConnDOT do not have the available in-house staff with both the expertise and experience to complete the full spectrum of design, engineering, and fabrication of this signal system.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

April 26, 2017

Staff Summary



Subject : Request for Authorization to Award Various Procurements						Date April 26, 2017			
Department Procurement & Logistics									
Department Head Name Dennis L. Mahon, Chief Procurement & Logistics Officer									
Department Head Signature 									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI Committee	04.24.17				1	President		4/18/17
2	MTA Board	04.26.17				2	Exec. Vice President		4/13/17

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION:

LIRR proposes to award Non-Competitive Procurements in the following categories:

<u># of Actions</u>	<u>\$ Amount</u>
None	

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote

Schedule B: Competitive Requests for Proposals

	<u># of Actions</u>	<u>\$ Amount</u>
	2	\$TBD
SUBTOTAL	2	

LIRR proposes to award Ratifications in the following categories:

<u># of Actions</u>	<u>\$ Amount</u>
None	

<u>TOTAL:</u>	<u>2</u>	<u>\$TBD</u>
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BUDGET IMPACT:

The purchases/contracts will result in obligating LIRR operating and capital funds in the amounts listed. Funds are available in the current operating budget for this purpose.

RECOMMENDATION:

That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary



Page 1 of 2

Item Number: 1					
Dept/Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i> 4/14/17					
Division/Division Head Name: Ch Eng'r, Sp. Projs, Afshin Hezarkhani					
Division Head Signature & Date <i>[Signature]</i> 4/14/17					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee				
2	MTA Board				
Internal Approvals					
Order	Approval	Order	Approval		
1	President <i>[Signature]</i>	4	Sr. VP/Engineering <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>	5	VP CFO <i>[Signature]</i>		
3	Sr. VP/Operations <i>[Signature]</i>	6	VP, General Counsel / Sec'y <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	6261
Description	
Penn Station Critical Improvements – Design / Build	
Total Amount	
\$TBD	
Contract Term (including Options, if any)	
TBD	
Options(s) included in Total Amount: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative:

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract for the Penn Station Improvements project. A 30% design is being completed by the LIRR's Design Consultant.

The purpose of this Project is to widen Penn Station's "33rd Street Corridor" on the LIRR level, and enhance and rehabilitate the LIRR's portion of Penn Station. The areas to be renovated include the 33rd Street Corridor; the Main Gate ticketing and waiting area near 7th Avenue, the Central Concourse half way between 7th and 8th Avenues, and the Exit Concourse nearest to 8th Avenue. The Project improvements are intended to bring immediate pedestrian flow relief to customers that travel through the LIRR Level of Penn Station, including NYCT customers, to create smooth, seamless, safe, and efficient trips for the MTA customers. The interface between the 33rd Street Corridor and the 7th and 8th Ave subway stations, and the areas immediately within the stations that directly link to the platform, will receive new wayfinding, lighting, ceilings, and complimentary architecture and finishes. The wayfinding improvements will expedite transitions between railroad platforms and subway platforms through modern dynamic and static signage. Digital ceilings and digital walls will be added to the 33rd Street Corridor to provide train information, advertising, and ambiance, to enhance the customer experience. Train boards will be relocated, the main ticket office will be reconfigured, the rest rooms will be renovated, and the HVAC will be modified.

Staff Summary



II. DISCUSSION

The LIRR section of PSNY is one of the nation's busiest train stations, accommodating over 225,000 daily trips on more than 450 daily trains – and more than 33,000 arriving customers in the peak hour – within its platforms, concourses, and exits. LIRR customer volume is the majority of the total volume of customers handled in PSNY by all railroads. LIRR customers also make heavy use of the adjacent NYCT subway stations to complete their journeys to and from workplaces or other destinations. Half of the LIRR daily customers enter or leave the railroad station via the busy NYCT 7th Ave Station, or 8th Ave Station, accommodating over 185,000, and 171,000 weekday customers, respectively. To further put LIRR's contributions to regional travel in context, the LIRR annual customer volume is over 87 million trips. Moreover, MTA is planning to introduce Metro-North Railroad (MNR) service to Penn Station soon after LIRR's East Side Access program is completed. The LIRR Concourse system is insufficient to meet current and projected commuter demand. Pedestrian circulation is congested, particularly at rush hours. Corridor widths are suboptimal to accommodate smooth pedestrian flow, sightlines are compromised, and wayfinding signage is poorly deployed. Station and train information is displayed in a manner that causes crowding and hampers pedestrian flow. In addition, the last major refurbishment of the concourse system was completed over twenty-three years ago, so that much of the facility, including systems, lighting and finishes have exceeded their useful life.

Use of the Design/Build RFP procurement method will permit an earlier commencement and completion of the project resulting in cost and time savings benefits by allowing construction work to start prior to completion of final design and incentivizing the Design/Builder in proposing alternative construction methods that provide additional benefits and savings.

III. D/M/WBE INFORMATION

15%MBE and 15%WBE participation goals have been assigned to this Contract by the MTA Department of Diversity and Civil Rights.

IV. IMPACT ON FUNDING

Funding for the third party Design/Build construction of the LIRR's Penn Station facility is included in LIRR's 2015 – 2019 Capital Plan.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would (i) require design drawings and specifications to be at the 100% level, thus potentially delaying the start of construction, and (ii) delay meaningful dialogue with the Contractor until after award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction.

Staff Summary



Long Island Rail Road

Page 1 of 2

Item Number:					
Dept/Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division/Division Head Name: Program Management, Paul Dietlin					
Division Head Signature & Date <i>[Signature]</i> 4/18/17					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee				
2	MTA Board				
Internal Approvals					
Order	Approval	Order	Approval		
1	President <i>[Signature]</i>	4	Sr. VP-Engineering <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>	5	VP-CFO <i>[Signature]</i>		
3	Sr. VP-Operations <i>[Signature]</i>	6	VP-General Counsel and Secretary <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	TBD
Description	
Request to use the RFP Process – Various Contracts	
Total Amount	
\$TBD	
Contract Term (including Options, if any)	
TBD-Month	
Options(s) included in Total Amount: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative:

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract for various station enhancement projects.

The purpose of this Project is to enhance the customer experience at LIRR stations by providing innovative architectural designs, and state of the art technology and amenities while restoring the overall station environment to an inviting and safe space for customers. Several of the enhancements and amenities including: revitalizing station buildings with vibrant colors and local appeal, interactive information kiosks with public Wi-Fi providing local and regional information, clearly defined station wayfinding signage, aesthetically pleasing platform waiting rooms and shelters with on-demand heating units, charging stations, benches, public art under MTA Arts-for-Transit, security cameras throughout platforms and surrounding station buildings, and customer accessible help points along each platform.

II. BACKGROUND & DISCUSSION

The MTA has been challenged to utilize alternative procurement methods to deliver capital projects more quickly and efficiently, yet at the highest standards. The stations listed below have been identified as ideal candidates for the Design/Build methodology, which allow for quality construction with a significant degree of speed. It is the objective of this project to provide visionary design with local community outreach while minimally impacting the customer during construction. In order to ensure the selection of a contractor with the necessary experience and expertise, it is in the public's interest to use the RFP process to properly evaluate the technical capabilities of prospective proposers. The Contractors will be selected based on an evaluation of technical capabilities, past performance, organization resources and cost. An additional advantage of utilizing a Design/Builder is that they are able to offer a different perspective of design alternatives and materials that can maximize schedule and cost efficiencies. The LIRR is in the process of determining how the various elements of work to be performed at the below stations may best be accomplished (this may entail assigning certain work to the third party design-builder and assigning other work to MTA Mentor firms and/or LIRR Forces). A prior Staff Summary, which included the originally selected five stations (Bayside, Stewart Manor, East Hampton, Port Jefferson, and Wyandanch), was funded and approved to utilize the competitive Request for Proposal (RFP) process for Design/Build services in

Staff Summary



Long Island Rail Road

Page 2 of 2

July 2016. The additional twelve stations listed below brings the total count of Enhancement Stations to seventeen (17). These stations are:

Baldwin, Bellmore, Brentwood, Deer Park, Farmingdale, Great Neck, Merrick, Northport, Ronkonkoma, Stony Brook, Syosset and Valley Stream.

The projects will consist of station enhancements that will improve the appearance and public perception of the selected stations. The LIRR has already retained a design firm who will provide a best value analysis and risk assessment.

III. D/M/WBE INFORMATION

Goals for this Contract are to be determined by the MTA Department of Diversity and Civil Rights.

IV. IMPACT ON FUNDING

These procurements are included in LIRR's proposed Capital Plan amendment and no contracts will be awarded until the plan is approved.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would (i) require design drawings and specifications to be at the 100% level, thus potentially delaying the start of construction, and (ii) delay meaningful dialogue with the Contractor until after award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction.



Metro-North Railroad

Operations Report

Performance Summary			2017 Data			2016 Data	
			Annual Goal	March	YTD thru March	March	YTD thru March
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	System	Overall	93.0%	95.4%	95.6%	95.3%	95.0%
		AM Peak	93.0%	94.8%	94.7%	89.6%	89.3%
		AM Reverse Peak	93.0%	97.5%	96.9%	95.9%	96.2%
		PM Peak	93.0%	97.3%	96.0%	96.9%	96.1%
		Total Peak	93.0%	96.2%	95.6%	93.5%	93.1%
		Off Peak Weekday	93.0%	95.7%	94.8%	95.6%	95.1%
		Weekend	93.0%	93.3%	96.8%	98.4%	97.7%
	Hudson Line	Overall	93.0%	95.8%	96.1%	94.7%	95.8%
		AM Peak	93.0%	94.4%	94.4%	87.6%	89.4%
		AM Reverse Peak	93.0%	96.5%	97.0%	96.0%	97.8%
		PM Peak	93.0%	99.2%	97.4%	95.4%	96.9%
		Total Peak	93.0%	96.6%	95.9%	91.9%	93.6%
		Off Peak Weekday	93.0%	96.5%	95.7%	95.6%	96.6%
		Weekend	93.0%	93.1%	97.1%	98.7%	97.9%
	Harlem Line	Overall	93.0%	94.8%	95.6%	95.7%	95.3%
		AM Peak	93.0%	95.4%	96.1%	90.2%	89.6%
		AM Reverse Peak	93.0%	97.0%	96.9%	96.8%	96.3%
		PM Peak	93.0%	95.1%	94.9%	97.8%	96.1%
		Total Peak	93.0%	95.6%	95.7%	94.4%	93.3%
		Off Peak Weekday	93.0%	95.0%	94.6%	95.9%	95.9%
		Weekend	93.0%	93.0%	97.0%	98.4%	97.9%
	New Haven Line	Overall	93.0%	95.6%	95.2%	95.3%	94.2%
		AM Peak	93.0%	94.6%	93.8%	90.3%	89.0%
		AM Reverse Peak	93.0%	98.4%	96.9%	95.0%	95.3%
		PM Peak	93.0%	97.8%	96.1%	97.2%	95.7%
		Total Peak	93.0%	96.5%	95.2%	93.8%	92.7%
		Off Peak Weekday	93.0%	95.9%	94.5%	95.4%	93.7%
		Weekend	93.0%	93.6%	96.5%	98.1%	97.5%
Operating Statistics							
	Trains Scheduled			19,292	56,116	19,971	56,731
	Avg. Delay per Late Train (min) <small>excluding trains cancelled or terminated</small>			11.3	11.9	10.5	12.6
	Trains Over 15 min. Late <small>excluding trains cancelled or terminated</small>		2,300	149	452	126	496
	Trains Canceled		230	43	104	3	52
	Trains Terminated		230	24	70	14	70
	Percent of Scheduled Trips Completed		99.7%	99.7%	99.7%	99.9%	99.8%
Consist Compliance <i>(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)</i>	System	Overall	99.5%	99.0%	99.0%	99.7%	99.7%
		AM Peak	99.0%	98.1%	98.1%	99.6%	99.4%
		AM Reverse Peak	99.5%	99.8%	99.9%	100.0%	100.0%
		PM Peak	99.0%	97.9%	97.4%	99.2%	99.1%
		Total Peak	99.0%	98.3%	98.1%	99.5%	99.4%
		Off Peak Weekday	99.5%	99.5%	99.5%	99.8%	99.8%
		Weekend	99.5%	99.4%	99.7%	99.9%	99.8%
	Hudson Line	AM Peak	99.5%	99.6%	99.8%	100.0%	99.9%
		PM Peak	99.5%	100.0%	99.9%	99.9%	99.9%
	Harlem Line	AM Peak	99.0%	98.4%	97.8%	99.3%	99.1%
		PM Peak	99.0%	97.9%	97.1%	98.9%	98.8%
	New Haven Line	AM Peak	98.5%	96.8%	97.2%	99.6%	99.2%
		PM Peak	98.5%	96.5%	96.2%	99.1%	98.8%

SYSTEM Category of Delay

Delay Minutes / Delay Threshold	% Total	February	2017 Data YTD thru March		2016 Data YTD thru March		YTD 2017 Vs 2016
Engineering (Scheduled)	9.6%	122	150	496	202	421	74
Engineering (Unscheduled)	18.5%	228	288	969	585	1,524	-556
Maintenance of Equipment	12.6%	229	197	786	422	1,080	-294
Transportation	2.1%	62	32	172	111	215	-43
Capital Projects	0.0%	0	0	5	16	38	-33
Weather and Environmental	34.4%	832	536	1,425	12	591	834
Police	6.7%	80	105	262	81	1,391	-1,128
Customers	4.5%	58	70	188	78	253	-64
Other	11.7%	24	182	316	99	246	71
3rd Party Operations	0.0%	0	0	0	6	9	-9
TOTAL	100.0%	1,633	1,558	4,619	1,611	5,768	-1,149

HUDSON LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2017 Vs 2016
Engineering	15.2%	60	59	229	210	409	-180
Maintenance of Equipment	21.2%	103	82	249	196	332	-83
Transportation	0.8%	15	3	29	15	34	-5
Capital Projects	0.0%	0	0	0	0	0	0
Weather and Environmental	44.2%	193	171	392	5	182	210
Police	10.1%	16	39	66	18	101	-35
Customers	5.4%	12	21	44	8	38	6
Other	3.1%	0	12	25	22	63	-38
3rd Party Operations	0.0%	0	0	0	0	1	-1
TOTAL	100.0%	399	387	1,034	474	1,160	-126

HARLEM LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2017 Vs 2016
Engineering	29.6%	90	175	403	205	550	-147
Maintenance of Equipment	5.8%	45	34	208	76	260	-52
Transportation	2.4%	12	14	46	51	72	-26
Capital Projects	0.0%	0	0	0	0	0	0
Weather and Environmental	38.4%	252	227	493	4	158	335
Police	6.8%	32	40	92	15	526	-434
Customers	2.7%	18	16	47	39	89	-42
Other	14.4%	1	85	120	45	59	61
3rd Party Operations	0.0%	0	0	0	1	1	-1
TOTAL	100.0%	450	591	1,409	436	1,715	-306

NEW HAVEN LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2017 Vs 2016
Engineering	35.0%	199	203	832	373	987	-155
Maintenance of Equipment	14.1%	80	82	328	150	487	-159
Transportation	2.6%	35	15	97	45	108	-11
Capital Projects	0.0%	0	0	5	16	38	-33
Weather and Environmental	23.8%	387	138	540	3	251	289
Police	4.5%	32	26	104	48	763	-659
Customers	5.5%	28	32	98	30	126	-28
Other	14.5%	23	84	171	32	124	47
3rd Party Operations	0.0%	0	0	0	5	7	-7
TOTAL	100.0%	784	580	2,175	702	2,891	-716



EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) or TERMINATED (T) TRAINS

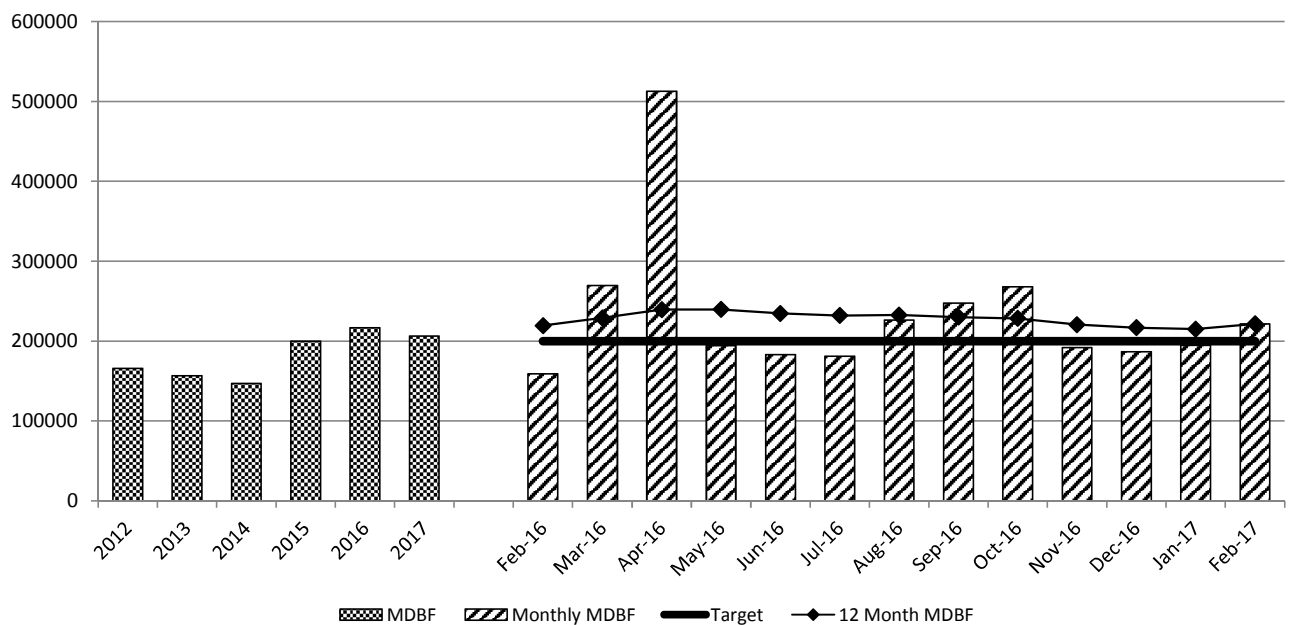
Date	Day	DESCRIPTION OF EVENT	Number of Late Trains												TOTAL		
			AM Peak			AM Reverse			PM Peak			Off Peak			Late Cxld Term		
			L	C	T	L	C	T	L	C	T	L	C	T			
03/01	Wed	Train 353 struck debris placed on track 3 south of Williams Bridge Station by vandals.	0	0	0	0	0	0	27	1	1	11	0	0	38	1	1
03/03	Fri	Congestion due to broken west rail on track 2 north of 72nd Street.	0	0	0	0	0	0	2	0	0	8	0	0	10	0	0
03/03	Fri	Track circuit 142 was dropping intermittently on track 2 at CP1.	42	0	0	0	0	0	0	0	0	11	0	0	53	0	0
03/06	Mon	Train 1565 struck a trespasser on track 3 at Port Chester Station.	0	0	0	0	0	0	0	0	0	15	0	1	15	0	1
03/09	Thu	Third rail failure on track 2 under the 149th Street overpass.	0	0	0	0	0	0	8	0	0	9	0	0	17	0	0
03/14	Tue	Service disruption due to Storm Stella.	0	0	0	0	0	0	0	0	0	17	21	2	17	21	2
03/15	Wed	Residual delays due to Storm Stella.	0	0	0	0	0	0	0	0	0	169	12	3	169	12	3
03/16	Thu	Residual delays due to Storm Stella.	31	0	1	12	0	0	0	0	0	11	0	0	54	0	1
03/20	Mon	138th Street Bridge opening.	0	0	0	0	0	0	2	0	0	24	0	0	26	0	0
03/27	Mon	Third Rail failure on track 1 at CP106.	15	0	0	0	0	0	0	0	0	6	0	0	21	0	0
03/31	Fri	Congestion due to track 41 out of service in GCT.	9	0	0	2	0	0	0	0	0	0	0	0	11	0	0
TOTAL FOR MONTH			97	0	1	14	0	0	39	1	1	281	33	6	431	34	8
															473		

	Equip- ment Type	Total Fleet Size	2017 Data						2016 Data		
			MDBF Goal (miles)	Feb MDBF (miles)	Primary Failure Goal	Feb No. of Primary Failures	YTD MDBF thru Feb (miles)	12 month MDBF Rolling Avg (miles)	Feb MDBF (miles)	Feb No. of Primary Failures	YTD MDBF thru Feb (miles)
Mean Distance Between Failures	M2	36	20,000	38,183	2	2	28,723	30,525	21,818	2	22,079
	M8	405	350,000	382,684	7	6	373,044	398,543	310,924	8	382,481
	M3	138	120,000	70,765	3	4	74,541	115,663	45,612	6	44,552
	M7	334	440,000	257,474	4	7	223,488	376,810	394,675	5	397,361
	Coach	209	260,000	328,577	6	4	345,704	266,301	228,766	6	306,550
	P-32	31	27,000	57,456	7	3	45,350	27,137	15,026	12	19,113
	BL-20	12	13,000	36,364	3	1	38,264	31,259	37,509	1	38,354
	Fleet	1165	200,000	221,514	32	27	206,455	221,634	159,212	40	182,710
	M2/8		260,000	296,559	9	8	277,399	317,579	253,103	10	282,369
	M3/7		300,000	189,580	7	11	175,825	290,658	204,277	11	204,920
	Diesel/Coach		110,000	190,380	16	8	178,053	122,305	83,706	19	106,627

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels in revenue service before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS

Mean Distance Between Failures 2012 - 2017



West of Hudson Performance Summary			2017 Data			2016 Data	
			Annual Goal	March	YTD thru March	March	YTD thru March
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	West of Hudson Total	Overall	95.5%	92.3%	94.1%	97.1%	96.8%
		AM Peak	95.5%	93.2%	93.0%	96.9%	95.7%
		PM Peak	95.5%	96.7%	93.5%	98.0%	97.6%
		Total Peak	95.5%	94.9%	93.2%	97.4%	96.7%
		Off Peak Weekday	95.5%	93.7%	94.9%	96.6%	97.1%
		Weekend	95.5%	86.1%	93.6%	97.7%	96.2%
	Pascack Line	Overall	96.5%	95.0%	95.9%	96.5%	97.0%
	Valley Line	AM Peak	96.5%	99.4%	97.1%	95.7%	96.0%
		PM Peak	96.5%	100.0%	96.0%	97.5%	98.4%
		Total Peak	96.5%	99.7%	96.6%	96.5%	97.1%
		Off Peak Weekday	96.5%	95.9%	96.1%	96.1%	97.4%
		Weekend	96.5%	87.3%	94.5%	97.4%	95.8%
	Port Jervis Line	Overall	95.0%	88.6%	91.5%	98.0%	96.5%
		AM Peak	95.0%	84.9%	87.5%	98.6%	95.4%
		PM Peak	95.0%	92.9%	90.6%	98.6%	96.8%
		Total Peak	95.0%	88.9%	89.0%	98.6%	96.1%
		Off Peak Weekday	95.0%	90.5%	93.2%	97.4%	96.7%
		Weekend	95.0%	83.9%	92.1%	98.2%	96.9%
Operating Statistics	Trains Scheduled			1,711	4,945	1,757	4,954
	Avg. Delay per Late Train (min) <small>excluding trains cancelled or terminated</small>			25.9	23.4	22.3	20.3
	Trains Over 15 min. Late <small>excluding trains cancelled or terminated</small>		300	63	131	26	81
	Trains Canceled		60	13	23	5	10
	Trains Terminated		60	8	16	6	11
	Percent of Scheduled Trips Completed		99.4%	98.8%	99.2%	99.4%	99.6%

MARCH 2017 STANDEE REPORT

East of Hudson

East of Hudson			MAR 2016	YTD 2016	MAR 2017	YTD 2017
Daily Average AM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	9	4
		Total Standees	0	0	9	4
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	4	9	32	48
		Total Standees	4	9	32	48
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	11	32	19	29
		Total Standees	11	32	19	29
	EAST OF HUDSON TOTAL - AM PEAK		15	41	61	81
Daily Average PM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	6
		Total Standees	0	0	0	6
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	13	20	19	35
		Total Standees	13	20	19	35
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	79	64	76	107
		Total Standees	79	64	76	107
	EAST OF HUDSON TOTAL - PM PEAK		92	84	95	148

West of Hudson

West of Hudson			MAR 2016	YTD 2016	MAR 2017	YTD 2017
Daily Average AM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - AM PEAK		0	0	0	0
Daily Average PM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - PM PEAK		0	0	0	0

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts for the train's maximum load point. For Hudson, Harlem and most New Haven Line trains, this point occurs at GCT/125th St.. However, for certain New Haven Line trains, this maximum load point is east of Stamford.

"**Program Standees**" is the average number of customers in excess of programmed seating capacity.

"**Additional Standees**" reflect the impact of reduced train car consists reported as consist compliance less than 100%.

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains. Holidays and Special Events for which there are special equipment programs are not included.

ELEVATOR AND ESCALATOR OPERATING REPORT

FOR MONTH OF March 2017

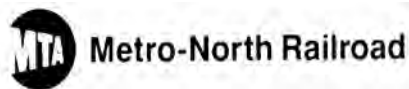
Elevator Availability	2017		2016	
	March	Year to Date	March	Year to Date
Grand Central Terminal	93.75%	96.06%	100.00%	99.06%
Harlem	99.93%	99.98%	100.00%	99.93%
Hudson	100.00%	100.00%	100.00%	99.61%
New Haven	100.00%	99.92%	98.77%	99.28%
Overall Average	98.42%	98.99%	99.69%	99.47%

Escalator Availability	2017		2016	
	March	Year to Date	March	Year to Date
Grand Central Terminal	100.00%	98.58%	99.50%	96.39%
White Plains	100.00%	100.00%	100.00%	100.00%
Overall Average	100.00%	99.29%	99.75%	98.19%



Metro-North Railroad

Finance Report



FINANCIAL STATEMENTS

MONTH ENDED: FEBRUARY 2017

OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS

**MTA METRO-NORTH RAILROAD
FEBRUARY 2017 FINANCIAL REPORT
YEAR TO DATE ACTUAL VERSUS ADOPTED BUDGET
(\$ in millions)**

SUMMARY

February 2017 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$133.4 million was \$9.9 million or 6.9% favorable vs. the Adopted Budget. The month of February Net Deficit (Non-Reimbursable and Reimbursable) of \$62.4 million was \$6.9 million or 10.0% favorable vs. the Adopted Budget.

Major drivers of the February 2017 YTD favorable result of \$9.9 million include lower Non-Reimbursable Expenses of \$11.2 million mainly due to the timing of both maintenance contracts and professional services (\$7.4 million), favorable energy rates (\$3.2 million) and lower overtime due to fewer weather events (\$1.6 million). Partly offsetting these favorable expense results were unfavorable Non-Reimbursable Revenues of \$1.4 million due to lower farebox revenue (\$0.5 million) and lower other operating revenue primarily due to the current suspension of commissary services (\$0.9 million) – *note that February YTD budgeted net commissary earnings would have been approximately \$0.1 million.*

February 2017 YTD Reimbursable results (Capital and Other Reimbursements) of \$28.1 million was \$5.8 million favorable vs. the Adopted Budget primarily due to timing for several capital projects including Signal Replacement from Greenwich to South Norwalk, Cyclical Track Program, West of Hudson Track Improvements, GCT Turnouts Switch Renewal and Network Infrastructure Replacement partially offset by a reclassification of prior year cost for Timber Replacement on Undergrade Bridges and GCT Fire Life safety projects.

REVENUE/RIDERSHIP

- **Farebox Revenue** – YTD was \$0.5 million unfavorable vs. the Adopted Budget (0.5%) primarily due to lower than forecasted commutation ridership partially offset by higher than forecasted non-commutation ridership. For the month, revenue was \$0.7 million unfavorable vs. the Adopted Budget.
 - YTD Ridership of 13.0 million was 0.4% unfavorable vs. the Adopted Budget and 1.5% favorable when compared to YTD 2016. February ridership of 6.3 million was 0.3% unfavorable vs. the Adopted Budget and 1.3% favorable compared to 2016.
 - YTD East of Hudson Ridership of 12.7 million was 0.3% unfavorable vs. the Adopted Budget and 1.6% favorable compared to YTD 2016. East of Hudson ridership for February of 6.1 million was 0.2% unfavorable vs. the Adopted Budget and 1.4% favorable compared to 2016.
 - YTD commutation ridership of 7.6 million was 2.0% unfavorable vs. the Adopted Budget and 0.4% unfavorable vs. YTD 2016. February commutation ridership of 3.7 million was 2.2% unfavorable vs. the Adopted Budget and 0.6% unfavorable compared to 2016.
 - YTD non-commutation ridership of 5.2 million was 2.2% favorable vs. the Adopted Budget and 4.7% favorable vs. YTD 2016. February non-commutation ridership of 2.5 million was 2.9% favorable vs. the Adopted Budget and 4.5% favorable vs. 2016.
 - YTD West of Hudson Ridership of 0.3 million was 4.6% unfavorable vs. the Adopted Budget and 2.3% unfavorable vs. YTD 2016. February ridership of 0.1 million was 6.1% unfavorable vs. the Adopted Budget while 1.7% unfavorable when compared to 2016.
- **Other Operating Revenue** – YTD was \$0.9 million (7.9%) unfavorable vs. the Adopted Budget primarily due to the current suspension of commissary services. For the month, revenue was \$1.3 million unfavorable vs. the Adopted Budget.
- **Capital and Other Reimbursements** – YTD was \$5.8 million unfavorable vs. the Adopted Budget due to scheduling and timing changes noted above. For the month, reimbursements were \$3.7 million unfavorable vs. the Adopted Budget.

TOTAL EXPENSES

Total Expenses – YTD expenses of \$281.5 million were \$17.1 million or 5.7% favorable vs. the Adopted Budget. For the month, expenses of \$132.2 million were \$12.7 million or 8.7% favorable vs. the Adopted Budget.

Labor Expenses (including fringes and overhead recoveries) of \$170.1 million YTD were \$2.1 million unfavorable vs. the Adopted Budget. For the month, expenses of \$80.1 million were \$0.3 million favorable vs. the Adopted Budget.

- **Payroll** – YTD was \$1.6 million unfavorable vs. the Adopted Budget due to higher holiday pay expenses for represented employees. For the month, expenses were \$0.3 million unfavorable vs. the Adopted Budget.
- **Overtime** – YTD was \$0.7 million favorable vs. the Adopted Budget due to fewer weather events partially offset by higher Reimbursable project activity. For the month, Overtime was \$0.3 million favorable vs. the Adopted Budget.

Non-Labor Expenses of \$61.6 million YTD were \$17.4 million favorable vs. the Adopted Budget. For the month, expenses of \$30.8 million were favorable by \$8.0 million compared to the Adopted Budget.

- **Electric Power** – Lower rates yielded favorable YTD results of \$3.2 million vs. the Adopted Budget. For the month, expenses were \$1.9 million favorable vs. the Adopted Budget.
- **Fuel** – YTD expenses of \$3.0 million were on target vs. the Adopted Budget. For the month, expenses were \$0.1 million unfavorable when compared to the Adopted Budget.
- **Maintenance & Other Operating Contracts** – YTD was \$3.9 million favorable vs. the Adopted Budget primarily due to the timing of Non-Reimbursable expenses for maintenance services, winter gear, fare equipment maintenance and environmental services as well as lower GCT utilities costs resulting from more efficient chiller equipment implemented in conjunction with NYPA partially offset by timing of Reimbursable project activity (mainly Cameras-Audio for M8 Fleet). For the month, expenses were \$1.2 million favorable compared to the Adopted Budget.
- **Professional Services** – YTD was \$6.0 million favorable vs. the Adopted Budget primarily due to timing of Non-Reimbursable expenses for engineering and consulting services and legal fees along with Reimbursable project activity (Signal Replacement from Greenwich to South Norwalk). For the month, expenses were favorable by \$2.9 million compared to the Adopted Budget.
- **Materials & Supplies** – YTD was \$3.2 million favorable vs. the Adopted Budget primarily due to timing of Reimbursable project activity (West of Hudson Track Improvements, Cyclical Track Program, Network Infrastructure Replacement, East End Connector and NH Yard Component Change out Shop) partially offset by higher Non-Reimbursable expenses for rolling stock parts and supplies for reliability centered maintenance programs and running repairs as well as obsolescence reverse adjustments. For the month, expenses were \$1.5 million favorable vs. the Adopted Budget.
- **Other Business Expenses** – YTD expenses were \$1.1 million favorable vs. the Adopted Budget primarily due to lower Non-Reimbursable expenses due to billing adjustments and lower subsidy payments to NJT for West of Hudson operations and the timing of expenses for non-capital equipment purchases. For the month, expenses were \$0.6 million favorable compared to the Adopted Budget.

Depreciation and Other Non-Cash Liability Adjustments were \$1.8 million favorable vs. the YTD Adopted Budget primarily due to the timing of the capitalization of assets (\$1.8 million). For the month, expenses were \$4.4 million favorable vs. the Adopted Budget.

CASH DEFICIT SUMMARY

February YTD Net Cash Deficit of \$81.9 million was \$9.5 million or 10.4% favorable to the Adopted Budget. This is mainly due to the timing of expenditures for capital projects, operations and passenger injury settlements.

FINANCIAL PERFORMANCE MEASURES

February YTD performance indicators primarily reflect favorable overall expenses vs. the Adopted Budget:

- Adjusted Farebox Operating Ratio of 62.0% was 2.6% favorable vs. the Adopted Budget.
- Adjusted Cost per Passenger of \$15.08 was \$0.79 favorable to the Adopted Budget.
- Revenue per Passenger of \$8.47 was \$0.08 unfavorable vs. the Adopted Budget.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
February 2017
(\$ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$54.204	\$53.497	(\$0.707)	(1.3)	\$0.000	\$0.000	\$0.000	-	\$54.204	\$53.497	(\$0.707)	(1.3)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	5.495	4.152	(1.343)	(24.4)	0.000	0.000	0.000	-	5.495	4.152	(1.343)	(24.4)
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	10.690	5.274	(5.416)	(50.7)	10.690	5.274	(5.416)	(50.7)
CDOT	0.000	0.000	0.000	-	3.870	4.667	0.796	20.6	3.870	4.667	0.796	20.6
Other	0.000	0.000	0.000	-	1.362	2.289	0.927	68.1	1.362	2.289	0.927	68.1
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	15.922	12.230	(3.692)	(23.2)	15.922	12.230	(3.692)	(23.2)
Total Revenue/Receipts	\$59.699	\$57.650	(\$2.050)	(3.4)	\$15.922	\$12.230	(\$3.692)	(23.2)	\$75.622	\$69.880	(\$5.742)	(7.6)
Expenses												
<i>Labor:</i>												
Payroll	\$38.028	\$38.986	(\$0.958)	(2.5)	\$3.053	\$2.427	\$0.626	20.5	\$41.081	\$41.413	(\$0.332)	(0.8)
Overtime	7.854	7.567	0.287	3.7	1.427	1.433	(0.005)	(0.4)	9.281	9.000	0.281	3.0
Health and Welfare	8.107	8.448	(0.340)	(4.2)	1.023	0.878	0.145	14.1	9.130	9.326	(0.196)	(2.1)
OPEB Current Payment	2.600	2.740	(0.140)	(5.4)	0.000	0.000	0.000	-	2.600	2.740	(0.140)	(5.4)
Pensions	7.308	7.084	0.224	3.1	0.673	0.553	0.120	17.9	7.981	7.636	0.345	4.3
Other Fringe Benefits	9.607	9.465	0.142	1.5	0.763	0.655	0.108	14.2	10.370	10.120	0.250	2.4
Reimbursable Overhead	(3.540)	(2.879)	(0.662)	(18.7)	3.418	2.713	0.705	20.6	(0.122)	(0.166)	0.044	35.9
Total Labor	\$69.965	\$71.411	(\$1.446)	(2.1)	\$10.357	\$8.658	\$1.699	16.4	\$80.321	\$80.069	\$0.252	0.3
<i>Non-Labor:</i>												
Electric Power	\$7.646	\$5.730	\$1.916	25.1	\$0.000	\$0.002	(\$0.002)	-	\$7.646	\$5.732	\$1.914	25.0
Fuel	1.511	1.601	(0.089)	(5.9)	0.000	0.000	0.000	-	1.511	1.601	(0.089)	(5.9)
Insurance	1.674	1.494	0.180	10.8	0.214	0.322	(0.108)	(50.7)	1.887	1.816	0.072	3.8
Claims	0.098	0.142	(0.045)	(46.0)	0.000	0.000	0.000	-	0.098	0.142	(0.045)	(46.0)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	9.716	7.854	1.861	19.2	1.006	1.673	(0.667)	(66.3)	10.721	9.527	1.194	11.1
Professional Service Contracts	3.436	1.811	1.625	47.3	1.657	0.343	1.313	79.3	5.092	2.154	2.939	57.7
Materials & Supplies	7.038	7.014	0.024	0.3	2.669	1.216	1.453	54.4	9.707	8.230	1.477	15.2
Other Business Expenses	2.130	1.581	0.549	25.8	0.020	0.016	0.005	22.4	2.150	1.596	0.554	25.7
Total Non-Labor	\$33.247	\$27.226	\$6.021	18.1	\$5.566	\$3.572	\$1.994	35.8	\$38.812	\$30.798	\$8.015	20.7
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$103.211	\$98.637	\$4.575	4.4	\$15.922	\$12.230	\$3.692	23.2	\$119.134	\$110.867	\$8.267	6.9
Depreciation	20.058	15.675	4.383	21.9	0.000	0.000	0.000	-	20.058	15.675	4.383	21.9
OPEB Obligation	5.693	5.693	0.000	0.0	0.000	0.000	0.000	-	5.693	5.693	0.000	0.0
GASB68 Pension Adjustment**	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$128.962	\$120.005	\$8.957	6.9	\$15.922	\$12.230	\$3.692	23.2	\$144.885	\$132.235	\$12.650	8.7
Net Surplus/(Deficit)	(\$69.263)	(\$62.355)	\$6.908	10.0	\$0.000	\$0.000	(\$0.000)	-	(\$69.263)	(\$62.355)	\$6.908	10.0
<i>Cash Conversion Adjustments:</i>												
Depreciation	20.058	15.675	(4.383)	(21.9)	0.000	0.000	0.000	-	20.058	15.675	(4.383)	(21.9)
Operating/Capital	(2.082)	(1.975)	0.107	5.1	0.000	0.000	0.000	-	(2.082)	(1.975)	0.107	5.1
Other Cash Adjustments	8.678	6.974	(1.703)	(19.6)	0.000	0.000	0.000	-	8.678	6.974	(1.703)	(19.6)
Total Cash Conversion Adjustments	\$26.654	\$20.674	(\$5.979)	(22.4)	\$0.000	\$0.000	\$0.000	-	\$26.654	\$20.674	(\$5.979)	(22.4)
Net Cash Surplus/(Deficit)	(\$42.609)	(\$41.681)	\$0.928	2.2	\$0.000	\$0.000	(\$0.000)	-	(\$42.609)	(\$41.681)	\$0.928	2.2

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current month's actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCURAL STATEMENT of OPERATIONS by CATEGORY
February Year-To-Date
(\$ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Percent	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Percent	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Percent
Revenue												
Farebox Revenue	\$110.604	\$110.089	(\$0.515)	(0.5)	\$0.000	\$0.000	\$0.000	-	\$110.604	\$110.089	(\$0.515)	(0.5)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	10.749	9.896	(0.853)	(7.9)	0.000	0.000	0.000	-	10.749	9.896	(0.853)	(7.9)
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	21.938	16.207	(5.731)	(26.1)	21.938	16.207	(5.731)	(26.1)
CDOT	0.000	0.000	0.000	-	9.215	7.938	(1.276)	(13.8)	9.215	7.938	(1.276)	(13.8)
Other	0.000	0.000	0.000	-	2.781	3.943	1.162	41.8	2.781	3.943	1.162	41.8
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	33.933	28.089	(5.844)	(17.2)	33.933	28.089	(5.844)	(17.2)
Total Revenue/Receipts	\$121.352	\$119.985	(\$1.368)	(1.1)	\$33.933	\$28.089	(\$5.844)	(17.2)	\$155.286	\$148.073	(\$7.212)	(4.6)
Expenses												
<i>Labor:</i>												
Payroll	\$79.702	\$81.546	(\$1.844)	(2.3)	\$6.289	\$6.085	\$0.204	3.2	\$85.991	\$87.631	(\$1.640)	(1.9)
Overtime	16.819	15.218	1.600	9.5	2.926	3.851	(0.926)	(31.6)	19.744	19.070	0.675	3.4
Health and Welfare	17.311	17.963	(0.652)	(3.8)	2.107	2.256	(0.149)	(7.1)	19.419	20.219	(0.801)	(4.1)
OPEB Current Payment	5.200	5.512	(0.312)	(6.0)	0.000	0.000	0.000	-	5.200	5.512	(0.312)	(6.0)
Pensions	15.354	14.834	0.521	3.4	1.384	1.409	(0.025)	(1.8)	16.738	16.242	0.496	3.0
Other Fringe Benefits	19.625	20.063	(0.439)	(2.2)	1.571	1.680	(0.109)	(7.0)	21.195	21.743	(0.548)	(2.6)
Reimbursable Overhead	(7.282)	(7.318)	0.036	0.5	7.038	7.042	(0.004)	(0.1)	(0.244)	(0.275)	0.032	13.0
Total Labor	\$146.730	\$147.819	(\$1.089)	(0.7)	\$21.314	\$22.324	(\$1.010)	(4.7)	\$168.044	\$170.143	(\$2.099)	(1.2)
<i>Non-Labor:</i>												
Electric Power	\$15.256	\$12.069	\$3.187	20.9	\$0.000	\$0.002	(\$0.002)	-	\$15.256	\$12.071	\$3.185	20.9
Fuel	3.015	2.974	0.041	1.4	0.000	0.000	0.000	-	3.015	2.974	0.041	1.4
Insurance	3.347	2.966	0.381	11.4	0.446	0.791	(0.346)	(77.5)	3.793	3.757	0.036	0.9
Claims	0.190	0.177	0.014	7.1	0.000	0.000	0.000	-	0.190	0.177	0.014	7.1
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	19.168	14.911	4.257	22.2	2.008	2.372	(0.363)	(18.1)	21.176	17.283	3.894	18.4
Professional Service Contracts	7.045	3.911	3.134	44.5	3.313	0.470	2.843	85.8	10.358	4.381	5.978	57.7
Materials & Supplies	13.996	15.525	(1.529)	(10.9)	6.811	2.069	4.742	69.6	20.806	17.594	3.213	15.4
Other Business Expenses	4.389	3.302	1.087	24.8	0.041	0.062	(0.021)	(50.4)	4.430	3.364	1.066	24.1
Total Non-Labor	\$66.405	\$55.834	\$10.571	15.9	\$12.619	\$5.765	\$6.854	54.3	\$79.024	\$61.599	\$17.425	22.1
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$213.135	\$203.653	\$9.482	4.4	\$33.933	\$28.089	\$5.844	17.2	\$247.068	\$231.742	\$15.326	6.2
Depreciation	40.115	38.353	1.762	4.4	0.000	0.000	0.000	-	40.115	38.353	1.762	4.4
OPEB Obligation	11.386	11.386	0.000	0.0	0.000	0.000	0.000	-	11.386	11.386	0.000	0.0
GASB68 Pension Adjustment**	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$264.637	\$253.392	\$11.244	4.2	\$33.933	\$28.089	\$5.844	17.2	\$298.570	\$281.481	\$17.089	5.7
Net Surplus/(Deficit)	(\$143.284)	(\$133.408)	\$9.877	6.9	\$0.000	\$0.000	\$0.000	-	(\$143.284)	(\$133.408)	\$9.877	6.9
<i>Cash Conversion Adjustments:</i>												
Depreciation	40.115	38.353	(1.762)	(4.4)	0.000	0.000	0.000	-	40.115	38.353	(1.762)	(4.4)
Operating/Capital	(5.176)	(3.858)	1.318	25.5	0.000	0.000	0.000	-	(5.176)	(3.858)	1.318	25.5
Other Cash Adjustments	16.915	16.993	0.077	0.5	0.000	0.000	0.000	-	16.915	16.993	0.077	0.5
Total Cash Conversion Adjustments	\$51.855	\$51.488	(\$0.367)	(0.7)	\$0.000	\$0.000	\$0.000	-	\$51.855	\$51.488	(\$0.367)	(0.7)
Net Cash Surplus/(Deficit)	(\$91.429)	(\$81.920)	\$9.509	10.4	\$0.000	\$0.000	\$0.000	-	(\$91.429)	(\$81.920)	\$9.509	10.4

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
FEBRUARY 2017
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	(\$1.343)	(24.4%)	Primarily due to the current suspension of commissary services and lower advertising revenues.	(\$0.853)	(7.9%)	Primarily due to the current suspension of commissary services.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$3.692)	(23.2%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.	(\$5.844)	(17.2%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.
PAYROLL	Reimb	\$0.626	20.5%	Reflects a reclassification of prior year costs for the Cyclical Track Program and the Park Avenue Viaduct Project.	\$0.204	3.2%	Reflects a reclassification of prior year costs for the current Cyclical Track Program.
OVERTIME	Non-Reimb	\$0.287	3.7%	See overtime tables.	\$1.600	9.5%	See overtime tables.
	Reimb	(\$0.005)	(0.4%)	See overtime tables.	(\$0.926)	(31.6%)	See overtime tables.
HEALTH AND WELFARE	Reimb	\$0.145	14.1%	Reflects lower project activity driven by the Cyclical Track Program.	(\$0.149)	(7.1%)	Reflects a reclassification of prior year costs for the Replace Timbers Undergrade Bridge Program.
OPEB CURRENT PAYMENT	Non-Reimb	(\$0.140)	(5.4%)	Reflects additional retirees.	(\$0.312)	(6.0%)	Reflects additional retirees.
PENSIONS	Reimb	\$0.120	17.9%	Reflects lower activity driven by the Signal Replacement from Greenwich to South Norwalk.	(\$0.025)	(1.8%)	
OTHER FRINGE BENEFITS	Reimb	\$0.108	14.2%	Reflects lower project activity driven by the Turnouts Mainline High Speed.	(\$0.109)	(7.0%)	Reflects a reclassification of prior year costs for the Replace Timbers Undergrade Bridge Program.
REIMBURSABLE OVERHEAD	Non-Reimb	(\$0.662)	(18.7%)	The non-reimbursable and reimbursable variances reflect higher activity on the following projects: Cyclical Track Program, Drainage and Undercutting and Turnouts Mainline High Speed.	\$0.036	0.5%	
	Reimb	\$0.705	20.6%		(\$0.004)	(0.1%)	

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
FEBRUARY 2017
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
ELECTRIC POWER	Non-Reimb	\$1.916	25.1%	Reflects favorable rates.	\$3.187	20.9%	Reflects favorable rates.
FUEL	Non-Reimb	(\$0.089)	(5.9%)	Primarily reflects timing of invoices.	\$0.041	1.4%	
INSURANCE	Non-Reimb	\$0.180	10.8%	Reflects lower insurance premiums.	\$0.381	11.4%	Reflects lower insurance premiums.
	Reimb	(\$0.108)	(50.7%)		(\$0.346)	(77.5%)	Reflects higher activity for the following projects: Timbers Replacement for the Undergrade Bridge, GCT Turnouts Switch Renewal, Turnouts Mainline High Speed, Drainage and Undercutting Program, CT Track Programs and the Mitre Rail Bridge Program.
CLAIMS	Non-Reimb	(\$0.045)	(46.0%)	Primarily due to higher claims expense for the month.	\$0.014	7.1%	Primarily due to lower claims expense.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$1.861	19.2%	Primarily reflects timing of expenses for maintenance contracts, uniforms and environmental services as well as lower GCT utilities costs resulting from efficient chiller equipment implemented in conjunction with NYPA.	\$4.257	22.2%	Primarily reflects timing of expenses for maintenance contracts, uniforms, fare equipment maintenance and environmental services as well as lower GCT utilities costs resulting from efficient chiller equipment implemented in conjunction with NYPA.
	Reimb	(\$0.667)	(66.3%)	Reflects higher activity for the Cameras & Audio for M8 fleet.	(\$0.363)	(18.1%)	Reflects higher activity for Cameras & Audio for M8 fleet and the Drainage and Undercutting Program partially offset by lower activity for the Hot Bearing and Wheel Impact Load Detector.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$1.625	47.3%	Primarily due to timing of expenses for engineering, consulting and legal services.	\$3.134	44.5%	Primarily due to timing of expenses for engineering, consulting and legal services.
	Reimb	\$1.313	79.3%	Reflects lower activity for the Signal Replacement Program for Greenwich to South Norwalk.	\$2.843	85.8%	Reflects lower YTD activity for the Signal Replacement Program for Greenwich to South Norwalk.

MTA METRO-NORTH RAILROAD
 ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
 EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
 FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
 FEBRUARY 2017
 (\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Non-Reimb	\$0.024	0.3%	Reflects lower activity for the West of Hudson Track Improvement Project and the Network Infrastructure Replacement.	(\$1.529)	(10.9%)	Higher expenses for rolling stock parts and supplies for reliability centered maintenance programs and running repairs as well as obsolescence reverse adjustments. Reflects lower activity for the following projects: West of Hudson Track Improvement, Cyclical Track Program, Network Infrastructure Replacement, East End Connector and the New Haven Yard Component Change Out.
	Reimb	\$1.453	54.4%		\$4.742	69.6%	
OTHER BUSINESS EXPENSES	Non-Reimb	\$0.549	25.8%	Primarily due to an adjustment for CDOT capital project billing, which will be reversed next month.	\$1.087	24.8%	Primarily due to an adjustment for CDOT capital project billing (will be reversed next month) and lower subsidy payment to NJT for West of Hudson operations.
	Reimb	\$0.005	22.4%	Reflects lower activity of the M-3 Replacement Program.	(\$0.021)	(50.4%)	Reflects higher activity for the current Turnouts Mainline High Speed Project and the Power Infrastructure Replacement.
DEPRECIATION	Non-Reimb	\$4.383	21.9%	Reflects a YTD true-up adjustment for the capitalization of assets.	\$1.762	4.4%	
OPERATING CAPITAL	Non-Reimb	\$0.107	5.1%	Mainly due to the Cameras-Audio for Non M8 Fleet project.	\$1.318	25.5%	Largely due to the revised construction schedule for the GCT Biltmore Restroom project and timing of West of Hudson Undergrade Bridge.

* Variance exceeds 100%.

MTA Metro-North Railroad
February Financial Plan - 2017 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	February						Year To Date(February)					
	Adopted Budget		Actual		Var. - Fav/(Unfav)		Adopted Budget		Actual		Var. - Fav/(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	45,380	\$ 2.804	45,583	\$ 2.763	(203)	\$0.041	95,549	\$ 5.904	118,397	\$ 7.074	(22,847)	(\$1.170)
					-0.4%	1.5%					-23.9%	-19.8%
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Programmatic/Routine Maintenance</u>	37,230	\$ 2.112	39,967	\$ 2.236	(2,737)	(\$0.124)	80,508	\$ 4.568	87,451	\$ 4.907	(6,942)	(\$0.339)
					-7.4%	-5.9%					-8.6%	-7.4%
<u>Unscheduled Maintenance</u>	948	\$ 0.051	573	\$ 0.027	376	\$0.024	1,897	\$ 0.102	1,266	\$ 0.060	631	\$0.042
					39.6%	46.4%					33.3%	41.6%
<u>Vacancy/Absentee Coverage</u> ²	25,582	\$ 1.357	22,657	\$ 1.193	2,925	\$0.164	50,439	\$ 2.675	48,498	\$ 2.558	1,941	\$0.117
					11.4%	12.1%					3.8%	4.4%
<u>Weather Emergencies</u>	26,787	\$ 1.530	19,996	\$ 1.090	6,791	\$0.440	62,502	\$ 3.570	34,413	\$ 1.881	28,089	\$1.689
					25.4%	28.8%					44.9%	47.3%
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Other</u> ⁴	0	\$ -	0	\$ 0.258	-	(\$0.258)	0	\$ -	0	\$ (1.262)	-	\$1.262
Subtotal	135,927	\$ 7.854	128,776	\$ 7.567	7,151	\$0.287	290,896	\$ 16.819	290,024	\$ 15.218	872	\$1.600
					5.3%	3.7%					0.3%	9.5%
REIMBURSABLE OVERTIME	23,698	\$ 1.427	26,214	\$ 1.433	(2,517)	(\$0.005)	48,619	\$ 2.926	53,431	\$ 3.851	(4,812)	(\$0.926)
					-10.6%	-0.4%					-9.9%	-31.6%
TOTAL OVERTIME	159,625	\$ 9.281	154,991	\$ 9.000	4,634	\$0.281	339,515	\$ 19.744	343,454	\$ 19.070	(3,940)	\$0.675
					2.9%	3.0%					-1.2%	3.4%

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category).

³ Not Applicable.

⁴ Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions.
Also reflects timing differences related to payroll and calendar cutoff dates.

MTA Metro-North Railroad
February Financial Plan - 2017 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	February			Year To Date(February)		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	(203) -0.4%	\$0.041 1.5%		(22,847) -23.9%	(\$1.170) -19.8%	Higher than anticipated holiday related overtime.
<u>Unscheduled Service</u>	0	\$ -		0	\$ -	
<u>Programmatic/Routine Maintenance</u>	(2,737) -7.4%	(\$0.124) -5.9%	Increased infrastructure and facility maintenance in Maintenance of Way enabled by milder winter weather.	(6,942) -8.6%	(\$0.339) -7.4%	Increased infrastructure and facility maintenance in Maintenance of Way enabled by milder winter weather.
<u>Unscheduled Maintenance</u>	376 39.6%	\$0.024 46.4%		631 33.3%	\$0.042 41.6%	
<u>Vacancy/Absentee Coverage</u> ²	2,925 11.4%	\$0.164 12.1%	Slightly lower vacation, sick and vacancy coverage requirements.	1,941 3.8%	\$0.117 4.4%	Slightly lower vacation, sick and vacancy coverage requirements.
<u>Weather Emergencies</u>	6,791 25.4%	\$0.440 28.8%	Fewer weather events than budgeted.	28,089 44.9%	\$1.689 47.3%	Fewer weather events than budgeted.
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -		0	\$ -	
<u>Other</u> ⁴	0	(\$0.258)	Reflects timing differences related to payroll and calendar cutoff dates.	0	\$1.262	Reflects timing differences related to payroll and calendar cutoff dates.
Subtotal	7,151 5.3%	\$0.287 3.7%		872 0.3%	\$1.600 9.5%	
REIMBURSABLE OVERTIME	(2,517) -10.6%	(\$0.005) -0.4%		(4,812) -9.9%	(\$0.926) -31.6%	Reflects higher YTD activity in the Turnouts Mainline High Speed project, the Drainage and Undercutting program, the MNR East Side Access project, the Timbers Replacement for the Undergrade Bridge project and the Right of Way Restoration project.
TOTAL OVERTIME	4,634	\$0.281		(3,940)	\$0.675	

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.
* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category)

³ Not Applicable

⁴ Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions.
Also reflects timing differences related to payroll and calendar cutoff dates.

MTA METRO-NORTH RAILROAD
2017 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

<u>Type</u>	<u>Definition</u>
<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	February 2017				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Receipts	\$53.437	\$52.019	(\$1.418)	(2.7)	\$108.895	\$108.505	(\$0.390)	(0.4)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	6.802	4.904	(1.898)	(27.9)	14.348	22.287	7.939	55.3
<i>Capital & Other Reimbursements:</i>								
MTA	11.280	6.132	(5.148)	(45.6)	22.450	16.469	(5.981)	(26.6)
CDOT	3.870	5.395	1.525	39.4	9.215	5.395	(3.820)	(41.5)
Other	1.362	0.633	(0.729)	(53.5)	2.781	1.497	(1.284)	(46.2)
Total Capital and Other Reimbursements	16.513	12.160	(4.353)	(26.4)	34.445	23.361	(11.084)	(32.2)
Total Receipts	\$76.752	\$69.083	(\$7.669)	(10.0)	\$157.688	\$154.153	(\$3.535)	(2.2)
Expenditures								
<i>Labor:</i>								
Payroll	\$41.968	\$41.363	\$0.605	1.4	\$82.395	\$85.727	(\$3.332)	(4.0)
Overtime	9.306	8.593	0.713	7.7	18.977	17.610	1.367	7.2
Health and Welfare	9.427	10.128	(0.701)	(7.4)	20.012	20.255	(0.243)	(1.2)
OPEB Current Payment	2.600	2.682	(0.082)	(3.2)	5.200	5.413	(0.213)	(4.1)
Pensions	8.012	8.683	(0.671)	(8.4)	16.799	17.376	(0.577)	(3.4)
Other Fringe Benefits	10.189	10.773	(0.584)	(5.7)	21.083	23.401	(2.318)	(11.0)
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor	\$81.502	\$82.222	(\$0.720)	(0.9)	\$164.466	\$169.782	(\$5.316)	(3.2)
<i>Non-Labor:</i>								
Electric Power	\$7.804	\$5.843	\$1.961	25.1	\$15.573	\$8.704	\$6.869	44.1
Fuel	1.511	1.129	0.382	25.3	3.015	2.803	0.212	7.0
Insurance	0.228	0.239	(0.011)	(4.8)	6.989	9.328	(2.339)	(33.5)
Claims	3.186	1.006	2.180	68.4	6.367	1.287	5.080	79.8
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.156	10.201	(3.045)	(42.5)	14.907	18.551	(3.644)	(24.4)
Professional Service Contracts	4.219	1.176	3.043	72.1	8.657	4.089	4.568	52.8
Materials & Supplies	10.032	7.302	2.730	27.2	21.377	16.487	4.890	22.9
Other Business Expenditures	3.723	1.646	2.077	55.8	7.767	5.042	2.725	35.1
Total Non-Labor	\$37.860	\$28.542	\$9.318	24.6	\$84.652	\$66.291	\$18.361	21.7
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenditures	\$119.361	\$110.764	\$8.597	7.2	\$249.117	\$236.073	\$13.044	5.2
Net Cash Deficit (excludes Opening Cash Balance)	(\$42.609)	(\$41.681)	\$0.928	2.2	(\$91.429)	(\$81.920)	\$9.509	10.4
Subsidies								
MTA	32.135	30.438	(1.697)	(5.3)	69.327	60.145	(9.182)	(13.2)
CDOT	10.474	0.000	(10.474)	(100.0)	22.102	20.620	(1.482)	(6.7)
Total Subsidies	\$42.609	\$30.438	(\$12.171)	(28.6)	\$91.429	\$80.765	(\$10.664)	(11.7)
Cash Timing and Availability Adjustment	\$0.000	\$2.176	\$2.176	-	\$0.000	\$0.934	\$0.934	-

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

Generic Receipt or Expense Category	February Month vs Budget			Year-To-Date as of February 28, 2017		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
OTHER OPERATING REVENUE	(1.898)	(27.9%)	Timing of Amtrak PRIAA reimbursement and misc. cash receipts combined with lower commissary revenue.	7.939	55.3%	Timing of FMTAC reimbursement for injury claims relating to Spuyten Duyvil partially offset by timing of Amtrak PRIAA reimbursement.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(5.148)	(45.6%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.	(5.981)	(26.6%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.
CDOT	1.525	39.4%	Higher cash receipts due to higher capital related project activity.	(3.820)	(41.5%)	Lower cash receipts due to timing of payments combined with lower capital related project activity.
OTHER	(0.729)	(53.5%)	Lower cash receipts due to timing of payments partially offset by higher capital related project activity.	(1.284)	(46.2%)	Lower cash receipts due to timing of payments partially offset by higher project activity.
PAYROLL	0.605	1.4%		(3.332)	(4.0%)	Primarily due to Intercompany Funded Projects and holiday pay for New Year's Eve paid for but not budgeted.
OVERTIME	0.713	7.7%	Timing of overtime paid combined with fewer weather events than budgeted.	1.367	7.2%	Timing of overtime paid combined with fewer weather events than budgeted partially offset by higher capital activity.
HEALTH & WELFARE	(0.701)	(7.4%)	Timing of payments for dental & vision premiums.	(0.243)	(1.2%)	
PENSIONS	(0.671)	(8.4%)	Timing of payments.	(0.577)	(3.4%)	
OTHER FRINGE BENEFITS	(0.584)	(5.7%)	Timing of payroll taxes paid partially offset by lower employee claims.	(2.318)	(11.0%)	Timing of payroll taxes paid.
ELECTRIC POWER	1.961	25.1%	Primarily due to favorable rates.	6.869	44.1%	Timing of payments (includes prepayment made in December) combined with lower rates.
FUEL	0.382	25.3%	Primarily due to timing of payments.	0.212	7.0%	Primarily due to timing of payments.
INSURANCE	(0.011)	(4.8%)		(2.339)	(33.5%)	Timing of insurance premiums paid for Force Account, All Agency Property - Bio Terrorism, Automobile and All Agency Excess partially offset by Station Liability.
CLAIMS	2.180	68.4%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.	5.080	79.8%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.
MAINTENANCE & OTHER OPERATING CONTRACTS	(3.045)	(42.5%)	Timing of Real Estate Rentals, Security Surveillance Equipment, Auto & Other Vehicle Purchases, Water and Escalator & Elevator Maintenance.	(3.644)	(24.4%)	Timing of Security Surveillance Equipment and Auto & Other Vehicle Purchases.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

Generic Receipt or Expense Category	February Month vs Budget			Year-To-Date as of February 28, 2017		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
PROFESSIONAL SERVICE CONTRACTS	3.043	72.1%	Timing of capital related projects (Signal Replacement - Greenwich to South Norwalk and Track Geometry Car) as well as Engineering and Professional Services.	4.568	52.8%	Timing of capital related projects (Signal Replacement - Greenwich to South Norwalk, Waterbury Branch Cab Signal, Relocate Track 42 Office and Track Geometry Car) as well as Engineering and Professional Services.
MATERIALS & SUPPLIES	2.730	27.2%	Timing of material purchases for Projects, Track Suspension, Carbody, Friction Brakes and Main Diesel Engine partially offset by materials placed into inventory.	4.890	22.9%	Timing of material purchases for Projects, Track Suspension, Carbody, Friction Brakes and Propulsion partially offset by materials placed into inventory.
OTHER BUSINESS EXPENSES	2.077	55.8%	Lower subsidy payments to New Jersey Transit for West of Hudson operations.	2.725	35.1%	Lower subsidy payments to New Jersey Transit for West of Hudson operations.
MTA SUBSIDY RECEIPTS	(1.697)	(5.3%)	Higher available cash balance combined with lower cash deficit partially offset by timing of CDOT subsidy.	(9.182)	(13.2%)	Lower cash deficit combined with higher available cash balance partially offset by lower CDOT subsidy.
CDOT SUBSIDY RECEIPTS	(10.474)	(100.0%)	Timing of February subsidy payment received in January.	(1.482)	(6.7%)	Lower share of prior month deficit than budgeted.

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	February 2017				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<u>Receipts</u>								
Farebox Revenue	(\$0.767)	(\$1.478)	(\$0.712)	(92.8)	(\$1.709)	(\$1.584)	\$0.125	7.3
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.307	0.752	(0.555)	(42.5)	3.599	12.391	8.792	*
<i>Capital & Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	0.591	0.858	0.267	45.3	0.512	0.262	(0.250)	(48.9)
CDOT	0.000	0.728	0.728	-	0.000	(2.543)	(2.543)	-
Other	0.000	(1.656)	(1.656)	-	0.000	(2.446)	(2.446)	-
Total Capital and Other Reimbursements	0.591	(0.070)	(0.661)	*	0.512	(4.728)	(5.240)	*
Total Revenue/Receipts	\$1.130	(\$0.797)	(\$1.927)	*	\$2.402	\$6.080	\$3.677	*
<u>Expenditures</u>								
<i>Labor:</i>								
Payroll	(\$0.887)	\$0.050	\$0.937	*	\$3.596	\$1.904	(\$1.692)	(47.0)
Overtime	(0.024)	0.407	0.431	*	0.767	1.460	0.692	90.3
Health and Welfare	(0.297)	(0.802)	(0.505)	*	(0.593)	(0.036)	0.558	94.0
OPEB Current Payment	0.000	0.058	0.000	-	0.000	0.099	0.099	-
Pensions	(0.031)	(1.047)	(1.016)	*	(0.061)	(1.134)	(1.073)	*
Other Fringe Benefits	0.181	(0.653)	(0.835)	*	0.113	(1.658)	(1.770)	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.122)	(0.166)	(0.044)	(35.9)	(0.244)	(0.275)	(0.032)	(13.0)
Total Labor	(\$1.180)	(\$2.153)	(\$0.973)	(82.4)	\$3.578	\$0.361	(\$3.218)	(89.9)
<i>Non-Labor:</i>								
Electric Power	(\$0.158)	(\$0.111)	\$0.047	29.6	(\$0.317)	\$3.367	\$3.684	*
Fuel	0.000	0.472	0.472	-	0.000	0.171	0.171	-
Insurance	1.659	1.577	(0.083)	(5.0)	(3.196)	(5.571)	(2.374)	(74.3)
Claims	(3.089)	(0.864)	2.225	72.0	(6.177)	(1.110)	5.067	82.0
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	3.565	(0.674)	(4.239)	*	6.269	(1.268)	(7.538)	*
Professional Service Contracts	0.874	0.978	0.104	11.9	1.701	0.292	(1.409)	(82.8)
Materials & Supplies	(0.325)	0.928	1.253	*	(0.570)	1.107	1.677	*
Other Business Expenses	(1.573)	(0.050)	1.524	96.9	(3.337)	(1.678)	1.659	49.7
Total Non-Labor	\$0.953	\$2.256	\$1.303	*	(\$5.627)	(\$4.692)	\$0.936	16.6
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenditures Adjustments before Non-Cash Liability Adjs.	(\$0.228)	\$0.103	\$0.330	*	(\$2.049)	(\$4.331)	(\$2.282)	*
Depreciation	20.058	15.675	(4.383)	(21.9)	40.115	38.353	(1.762)	(4.4)
OPEB Obligation	5.693	5.693	0.000	0.0	11.386	11.386	0.000	0.0
GASB68 Pension Adjustment**	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenditures Adjustments	\$25.523	\$21.471	(\$4.053)	(15.9)	\$49.452	\$45.408	(\$4.044)	(8.2)
Total Cash Conversion Adjustments	\$26.654	\$20.674	(\$5.979)	(22.4)	\$51.855	\$51.488	(\$0.367)	(0.7)

Notes:
-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
FEBRUARY 28, 2017

<u>Department</u>	<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
Administration				
President	4	3	1	
Labor Relations	18	17	1	
Safety	54	42	12	A
Security	22	19	3	
Office of the Executive VP	10	9	1	
Corporate & Public Affairs	18	16	2	
Customer Service	64	53	11	A
Legal	18	16	2	
Claims	13	11	2	
Environmental Compliance & Svce	8	7	1	
Human Resources	49	44	5	
Training	95	79	16	A
Employee Relations & Diversity	6	5	1	
VP Planning	2	2	-	
Operations Planning & Analysis	22	19	3	
Capital Planning & Programming	17	14	3	
Long Range Planning	8	8	0	
VP Finance & Info Systems	6	3	3	
Controller	76	72	4	
Budget	22	17	5	
Procurement & Material Management	33	26	7	A
Total Administration	565	482	83	
Operations				
Operations Administration	66	55	11	A
Transportation	1,588	1,584	4	
Customer Service	316	272	44	B
Metro-North West	28	28	0	
Total Operations	1,999	1,939	59	
Maintenance				
Maintenance of Equipment	1,651	1,666	(15)	C
Maintenance of Way	2,186	2,062	124	A
Procurement & Material Mgmt	124	123	1	
Total Maintenance	3,961	3,851	110	
Engineering/Capital				
Construction Management	43	38	5	
Engineering & Design	84	68	16	
Total Engineering/Capital	127	106	21	
Total Positions	6,652	6,378	273	
Non-Reimbursable	6,091	5,939	151	
Reimbursable	561	439	122	
Total Full-Time	6,651	6,377	273	
Total Full-Time-Equivalents (of part-time positions)	1	1	-	

Notes

(A) Variance reflects delayed and internal hiring of vacant positions.

(B) Variance reflects the current suspension of Commissary group operations.

(C) Variance reflects lower attrition than forecasted.

MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
FEBRUARY 28, 2017

FUNCTION/OCCUPATION	Adopted Budget	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	182	160	22
Professional, Technical, Clerical	383	322	61
Operational Hourlies	-	-	-
Total Administration	565	482	83
Operations			
Managers/Supervisors	239	203	36
Professional, Technical, Clerical	191	183	8
Operational Hourlies	1,569	1,553	15
Total Operations	1,999	1,939	59
Maintenance			
Managers/Supervisors	588	591	(3)
Professional, Technical, Clerical	508	501	7
Operational Hourlies	2,865	2,759	106
Total Maintenance	3,961	3,851	110
Engineering/Capital			
Managers/Supervisors	45	42	3
Professional, Technical, Clerical	82	64	18
Operational Hourlies	-	-	-
	127	106	21
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	1,054	997	57
Professional, Technical, Clerical	1,164	1,070	94
Operational Hourlies	4,434	4,312	122
Total Positions	6,652	6,378	273

**MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
FEBRUARY 28, 2017**

Agency-wide (Non-Reimbursable and Reimbursable)	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Explanation of Variances
<i>Functional Classification:</i>				
Operations	1,999	1,939	59	Reflects the current suspension of Commissary group operations and timing differences in hiring of positions in the Operations Administration department.
Maintenance	3,961	3,851	110	Reflects vacant positions in Maintenance of Way (electricians, mechanics and trackworkers) which are under active recruitment. Vacancies are driven by a high degree of internal transfers in filling open jobs which has extended the time of filling vacant positions.
Administration	565	482	83	Vacancies reflects timing differences in hiring of positions primarily in the Training, Safety, Customer Service and Procurement departments.
Engineering / Capital	127	106	21	Vacancies reflects timing differences in hiring of positions primarily in the Engineering & Design department.
Total Agency-wide Headcount	6,652	6,378	273	
Non-Reimbursable	6,091	5,939	151	
Reimbursable	561	439	122	

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
RIDERSHIP/UTILIZATION
FEBRUARY 2017
(in millions)

	MONTH			VARIANCE				YTD			VARIANCE			
				Fav/(Unfav)							Fav/(Unfav)			
	ADOPTED BUDGET	2017	2016	ADOPTED BUDGET		2016		ADOPTED BUDGET	2017	2016	ADOPTED BUDGET		2016	
				\$	%	\$	%				\$	%	\$	%
FAREBOX REVENUE														
Harlem Line - Commutation	9.229	8.976	9.084	(0.252)	-2.7%	(0.107)	-1.2%	18.459	18.003	18.168	(0.456)	-2.5%	(0.165)	-0.9%
Harlem Line - Non-Commutation	6.754	6.648	6.613	(0.106)	-1.6%	0.035	0.5%	14.165	14.087	13.689	(0.078)	-0.5%	0.398	2.9%
TOTAL HARLEM LINE	\$15.983	\$15.624	\$15.696	(\$0.359)	-2.2%	(\$0.072)	-0.5%	\$32.623	\$32.090	\$31.857	(\$0.534)	-1.6%	\$0.232	0.7%
Hudson Line - Commutation	6.035	5.894	5.951	(0.141)	-2.3%	(0.057)	-1.0%	12.042	11.803	11.873	(0.239)	-2.0%	(0.070)	-0.6%
Hudson Line - Non-Commutation	5.255	5.366	5.142	0.111	2.1%	0.224	4.4%	10.886	11.195	10.556	0.309	2.8%	0.639	6.1%
TOTAL HUDSON LINE	\$11.291	\$11.260	\$11.093	(\$0.030)	-0.3%	\$0.167	1.5%	\$22.928	\$22.998	\$22.428	\$0.070	0.3%	\$0.570	2.5%
New Haven Line - Commutation	12.986	12.892	12.408	(0.094)	-0.7%	0.484	3.9%	26.130	25.955	24.968	(0.175)	-0.7%	0.988	4.0%
New Haven Line - Non-Commutation	12.790	12.698	12.283	(0.092)	-0.7%	0.415	3.4%	26.592	26.821	25.410	0.229	0.9%	1.410	5.5%
TOTAL NEW HAVEN LINE	\$25.777	\$25.591	\$24.691	(\$0.186)	-0.7%	\$0.899	3.6%	\$52.722	\$52.776	\$50.378	\$0.054	0.1%	\$2.398	4.8%
All Lines - Commutation	28.250	27.763	27.443	(0.487)	-1.7%	0.320	1.2%	56.631	55.761	55.009	(0.870)	-1.5%	0.752	1.4%
All Lines - Non-Commutation	24.800	24.712	24.037	(0.088)	-0.4%	0.674	2.8%	51.642	52.103	49.656	0.460	0.9%	2.447	4.9%
TOTAL EAST OF HUDSON LINES	\$53.050	\$52.476	\$51.480	(\$0.575)	-1.1%	\$0.995	1.9%	\$108.273	\$107.864	\$104.665	(\$0.409)	-0.4%	\$3.199	3.1%
West of Hudson*	\$1.154	\$1.088	\$1.128	(0.066)	-5.7%	(0.040)	-3.5%	\$2.331	\$2.240	\$2.277	(0.091)	-4.0%	(0.038)	-1.7%
TOTAL FAREBOX REVENUE	\$54.204	\$53.564	\$52.608	(\$0.641)	-1.2%	\$0.955	1.8%	\$110.604	\$110.104	\$106.942	(\$0.500)	-0.5%	\$3.162	3.0%
RIDERSHIP**														
Harlem Line - Commutation	1.307	1.272	1.282	(0.035)	-2.7%	(0.010)	-0.8%	2.683	2.616	2.632	(0.066)	-2.5%	(0.015)	-0.6%
Harlem Line - Non-Commutation	0.746	0.765	0.728	0.019	2.6%	0.036	5.0%	1.587	1.609	1.530	0.022	1.4%	0.080	5.2%
TOTAL HARLEM LINE	2.052	2.037	2.010	(0.015)	-0.8%	0.027	1.3%	4.270	4.226	4.161	(0.044)	-1.0%	0.065	1.6%
Hudson Line - Commutation	0.727	0.712	0.714	(0.015)	-2.1%	(0.002)	-0.2%	1.486	1.462	1.459	(0.024)	-1.6%	0.003	0.2%
Hudson Line - Non-Commutation	0.466	0.495	0.455	0.029	6.2%	0.040	8.8%	0.987	1.031	0.955	0.044	4.5%	0.076	8.0%
TOTAL HUDSON LINE	1.193	1.206	1.168	0.014	1.1%	0.038	3.3%	2.473	2.493	2.414	0.020	0.8%	0.080	3.3%
New Haven Line - Commutation	1.724	1.691	1.703	(0.033)	-1.9%	(0.012)	-0.7%	3.557	3.495	3.514	(0.063)	-1.8%	(0.019)	-0.6%
New Haven Line - Non-Commutation	1.179	1.200	1.170	0.021	1.8%	0.030	2.6%	2.486	2.531	2.455	0.045	1.8%	0.077	3.1%
TOTAL NEW HAVEN LINE	2.903	2.891	2.873	(0.012)	-0.4%	0.018	0.6%	6.044	6.026	5.969	(0.017)	-0.3%	0.057	1.0%
Total Ridership East of Hudson														
All Lines - Commutation	3.758	3.675	3.698	(0.083)	-2.2%	(0.023)	-0.6%	7.726	7.573	7.604	(0.153)	-2.0%	(0.031)	-0.4%
All Lines - Non-Commutation	2.391	2.460	2.353	0.069	2.9%	0.107	4.5%	5.060	5.172	4.940	0.112	2.2%	0.232	4.7%
TOTAL EAST OF HUDSON LINES	6.148	6.135	6.051	(0.014)	-0.2%	0.083	1.4%	12.787	12.745	12.544	(0.042)	-0.3%	0.201	1.6%
West of Hudson*	0.129	0.121	0.123	(0.008)	-6.2%	(0.002)	-1.8%	0.263	0.251	0.257	(0.012)	-4.6%	(0.006)	-2.3%
TOTAL EAST & WEST OF HUDSON LINES	6.277	6.256	6.174	(0.022)	-0.3%	0.081	1.3%	13.050	12.996	12.801	(0.054)	-0.4%	0.195	1.5%

*West of Hudson actuals are preliminary

**2016 Ridership figures have been restated to eliminate calendar impacts on ridership

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS ^(A)
FEBRUARY 2017

	MONTH			VARIANCE Fav/(Unfav)	
	BUDGET	2017	2016	BUDGET	2016
Farebox Operating Ratio					
Standard ^(B)	53.6%	55.0%	56.8%	1.4%	-1.8%
Adjusted ^(C)	60.7%	61.6%	62.7%	0.9%	-1.1%
Cost per Passenger					
Standard ^(B)	\$16.27	\$15.58	\$14.53	\$0.69	(\$1.05)
Adjusted ^(C)	\$15.88	\$15.17	\$14.50	\$0.71	(\$0.67)
Passenger Revenue/Passenger	\$8.71	\$8.56	\$8.25	(\$0.15)	\$0.31
	YEAR-TO-DATE			VARIANCE Fav/(Unfav)	
	BUDGET	2017	2016	BUDGET	2016
Farebox Operating Ratio					
Standard ^(B)	52.6%	54.7%	56.1%	2.1%	-1.4%
Adjusted ^(C)	59.4%	62.0%	63.4%	2.6%	-1.4%
Cost per Passenger					
Standard ^(B)	\$16.24	\$15.48	\$14.91	\$0.76	(\$0.57)
Adjusted ^(C)	\$15.87	\$15.09	\$14.73	\$0.78	(\$0.36)
Passenger Revenue/Passenger	\$8.55	\$8.47	\$8.36	(\$0.08)	\$0.11

(A) Monthly Performance Indicators include both East and West of Hudson revenue and expenses.

(B) Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits, Environmental Remediation (GASB-49), and the NHL share of MTA Police, Business Service Center and IT costs.

(C) Adjusted Fare Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between Metro-North and the LIRR and are being presented only at the railroad operating committees. These adjustments are not being used MTA-wide. Adjustments have been made to reflect all operating revenues and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB retiree expenses, and Inclusion of estimated farebox revenue from an equalization of the Connecticut fare structure.



Metro-North Railroad

Ridership Report

MTA METRO-NORTH RAILROAD

MONTHLY RIDERSHIP REPORT

FEBRUARY 2017

Operations Planning & Analysis Department
April, 2017

FEBRUARY 2017 RIDERSHIP & REVENUE REPORT

MTA METRO-NORTH RAILROAD

EXECUTIVE SUMMARY

February Ridership and Revenue (millions)

	February 2017	% Change vs. 2016
Total Rail Ridership	6.256	+1.3% ▲
Commutation Ridership	3.745	-0.7% ▼
Non-Commutation Ridership	2.511	+4.5% ▲
Connecting Service Ridership	0.042	-1.1% ▼
Total MNR System Ridership	6.298	+1.3% ▲
Rail Revenue	\$53.6	+1.8% ▲

Key Factors Impacting February Ridership

- Large increases in non-commutation ridership can be attributed to the unseasonably mild weather which occurred during February
 - It was much warmer in February 2017 than in February 2016 (average monthly temperature was 41.6 degrees vs. 37.7 degrees last February).
 - On February 9th a major snow storm totaling 9.4 inches of snow (NY Central Park) decreased non-commutation ridership by approximately 60,000 fewer rides. Had this storm not occurred total ridership would have increased by 2.4%

Year-to-Date to February Ridership and Revenue (millions)

	YTD 2017	% Change vs. 2016	Comparison to Budget
Total Rail Ridership	12.996	+1.5% ▲	-0.4% ▼
Commutation Ridership	7.717	-0.5% ▼	-2.1% ▼
Non-Commutation Ridership	5.279	+4.7% ▲	+2.2% ▲
Connecting Service Ridership	0.091	+0.0% ▲	+0.2% ▲
Total MNR System Ridership	13.087	+1.5% ▲	-0.4% ▼
Rail Revenue	\$110.1	+3.0% ▲	-0.5% ▼

FEBRUARY RAIL RIDERSHIP ⁽¹⁾

- February's Total Rail Ridership was 1.3% above 2016 and 0.3% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	6.7	6.3											13.0
2016	6.6	6.2											12.8
PCT CHG.	1.7%	1.3%											1.5%

1) Includes East and West of Hudson.

FEBRUARY RAIL COMMUTATION RIDERSHIP ⁽¹⁾

- February's Rail Commutation Ridership was 0.7% below 2016 and 2.3% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	4.0	3.7											7.7
2016	4.0	3.8											7.8
PCT CHG.	-0.3%	-0.7%											-0.5%

1) Includes East and West of Hudson.

FEBRUARY RAIL NON-COMMUTATION RIDERSHIP ⁽¹⁾

- February's Rail Non-Commutation Ridership was 4.5% above 2016 and 2.8% above budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	2.8	2.5											5.3
2016	2.6	2.4											5.0
PCT CHG.	4.8%	4.5%											4.7%

1) Includes East and West of Hudson.

FEBRUARY RAIL REVENUE⁽¹⁾

- February's Total Rail Revenue was 1.8% above 2016 and 1.2% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	\$56.5	\$53.6											\$110.1
2016	\$54.3	\$52.6											\$106.9
PCT CHG.	4.1%	1.8%											3.0%

1) Includes East and West of Hudson.

MTA METRO-NORTH RAILROAD RIDERSHIP SUMMARY FEBRUARY 2017

TICKET TYPE/SERVICE	FEBRUARY 2017 ACTUAL	FEBRUARY 2017 BUDGET	VARIANCE VS. BUDGET		FEBRUARY 2016 RESTATED ⁽¹⁾	CHANGE FROM 2016	
			AMOUNT	PERCENT		AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	3,674,962	3,757,676	(82,714)	-2.2%	3,698,300	(23,338)	-0.6%
West of Hudson	70,377	76,703	(6,326)	-8.2%	74,811	(4,434)	-5.9%
Total Rail Commutation Ridership	3,745,339	3,834,379	(89,040)	-2.3%	3,773,111	(27,772)	-0.7%
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	2,459,828	2,390,790	69,038	2.9%	2,353,026	106,802	4.5%
West of Hudson	50,537	52,158	(1,621)	-3.1%	48,336	2,201	4.6%
Total Rail Non-Commutation Ridership	2,510,365	2,442,948	67,417	2.8%	2,401,362	109,003	4.5%
TOTAL RAIL RIDERSHIP							
East of Hudson	6,134,790	6,148,466	(13,676)	-0.2%	6,051,326	83,464	1.4%
West of Hudson ⁽²⁾	120,914	128,861	(7,947)	-6.2%	123,147	(2,233)	-1.8%
TOTAL RAIL RIDERSHIP	6,255,704	6,277,327	(21,623)	-0.3%	6,174,473	81,231	1.3%
CONNECTING SERVICES RIDERSHIP ⁽³⁾	42,395	43,957	(1,562)	-3.6%	42,886	(491)	-1.1%
TOTAL MNR SYSTEM RIDERSHIP	6,298,099	6,321,284	(23,185)	-0.4%	6,217,359	80,740	1.3%

Notes:

- 1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.
- 2) West of Hudson ridership figures are preliminary.
- 3) Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

MTA METRO-NORTH RAILROAD RIDERSHIP SUMMARY 2017 YEAR-TO-DATE

TICKET TYPE/SERVICE	2017 YTD ACTUAL	2017 YTD BUDGET	VARIANCE VS. BUDGET		2016 YTD RESTATE ⁽¹⁾	CHANGE FROM 2016	
			AMOUNT	PERCENT		AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	7,573,082	7,726,196	(153,114)	-2.0%	7,604,188	(31,106)	-0.4%
West of Hudson	144,074	156,151	(12,077)	-7.7%	152,296	(8,222)	-5.4%
Total Rail Commutation Ridership	7,717,156	7,882,347	(165,191)	-2.1%	7,756,484	(39,328)	-0.5%
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	5,172,060	5,060,450	111,610	2.2%	4,939,568	232,492	4.7%
West of Hudson	106,692	106,833	(141)	-0.1%	104,494	2,198	2.1%
Total Rail Non-Commutation Ridership	5,278,752	5,167,283	111,469	2.2%	5,044,062	234,690	4.7%
TOTAL RAIL RIDERSHIP							
East of Hudson	12,745,142	12,786,646	(41,504)	-0.3%	12,543,756	201,386	1.6%
West of Hudson	250,766	262,984	(12,218)	-4.6%	256,790	(6,024)	-2.3%
TOTAL RAIL RIDERSHIP	12,995,908	13,049,630	(53,722)	-0.4%	12,800,546	195,362	1.5%
CONNECTING SERVICES RIDERSHIP ⁽²⁾	90,768	90,626	142	0.2%	90,741	27	0.0%
TOTAL MNR SYSTEM RIDERSHIP	13,086,676	13,140,256	(53,580)	-0.4%	12,891,287	195,389	1.5%

Notes:

1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.

2 Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

MTA METRO-NORTH RAILROAD

RIDERSHIP BY LINE

FEBRUARY 2017

LINE	FEBRUARY 2017 ACTUAL	FEBRUARY 2016 RESTATED ⁽¹⁾	CHANGE FROM 2016	
			AMOUNT	PERCENT
EAST OF HUDSON				
Harlem Line	2,036,882	2,010,121	26,761	1.3%
Hudson Line	1,206,479	1,168,247	38,232	3.3%
New Haven Line	2,891,429	2,872,958	18,471	0.6%
Total East of Hudson	6,134,790	6,051,326	83,464	1.4%
WEST OF HUDSON				
Port Jervis Line	71,715	72,484	(769)	-1.1%
Pascack Valley Line	49,199	50,663	(1,464)	-2.9%
Total West of Hudson ⁽²⁾	120,914	123,147	(2,233)	-1.8%
TOTAL RAIL RIDERSHIP	6,255,704	6,174,473	81,231	1.3%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	30,314	30,329	(15)	0.0%
Haverstraw-Ossining Ferry	8,040	8,791	(751)	-8.5%
Newburgh-Beacon Ferry	4,041	3,766	275	7.3%
Total Connecting Services	42,395	42,886	(491)	-1.1%
TOTAL MNR SYSTEM	6,298,099	6,217,359	80,740	1.3%

Notes:

1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.

2) West of Hudson ridership figures are preliminary.

MTA METRO-NORTH RAILROAD

RIDERSHIP BY LINE

2017 YEAR-TO-DATE

TICKET TYPE/SERVICE	2017 YTD ACTUAL	2016 YTD RESTATE ⁽¹⁾	CHANGE FROM 2016	
			AMOUNT	PERCENT
EAST OF HUDSON				
Harlem Line	4,225,908	4,161,367	64,541	1.6%
Hudson Line	2,493,200	2,413,631	79,569	3.3%
New Haven Line	6,026,034	5,968,758	57,276	1.0%
Total East of Hudson	12,745,142	12,543,756	201,386	1.6%
WEST OF HUDSON				
Port Jervis Line	149,073	150,464	(1,391)	-0.9%
Pascack Valley Line	101,693	106,326	(4,633)	-4.4%
Total West of Hudson	250,766	256,790	(6,024)	-2.3%
TOTAL RAIL RIDERSHIP	12,995,908	12,800,546	195,362	1.5%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	64,203	63,055	1,148	1.8%
Haverstraw-Ossining Ferry	18,130	19,176	(1,046)	-5.5%
Newburgh-Beacon Ferry	8,435	8,510	(75)	-0.9%
Total Connecting Services	90,768	90,741	27	0.0%
TOTAL MNR SYSTEM	13,086,676	12,891,287	195,389	1.5%

Notes:

1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.



Metro-North Railroad

Capital Program Report

CAPITAL PROGRAM

HIGHLIGHTS

March 31, 2017

ROLLING STOCK

M-8 Procurement Option

Metro-North, in partnership with Connecticut Department of Transportation, received MTA Board Approval in November 2016 to purchase 60 additional M-8 cars for the New Haven Line, with an option for an additional 34 cars. The new cars will begin arriving in the fourth quarter of 2019. These cars will be fully interoperable and benefit from parts compatibility, reducing operating and future procurement costs with the 405 M-8 cars already purchased.

Notice to Proceed for 60 additional cars was issued to the manufacturer on January 31, 2017. Subsequently, Metro-North has received submittals of the Program Schedule and Management Plan and has reviewed and issued formal comments.

GRAND CENTRAL TERMINAL (GCT)

GCT Elevators Rehabilitation Phase 4 (SE-1 & SE-2 serve upper and lower levels and Depew Place loading dock; A-car elevator serves M42 substation)

SE-1: The elevator is in service.

SE-2: Elevator rehabilitation work continues; plan to place in-service in June 2017.

A-car: Completed installation of elevator door at all levels; plan to place in-service in early April 2017.

GCT Utilities (fire suppression system upgrade at lower level of train shed and utility tunnels, and replacement of 49th St. existing fire pump)

Installation of pipes, hangers and related electrical items continues across lower level tracks and in the 43rd Street, 45th Street and west tunnels.

Overall project completion anticipated in June 2018.

GCT Leaks Remediation Phase II

Structural steel repairs were completed at the 45th Street bridges and select sidewalk expansion joint repairs continue. Ongoing restoration is underway with offsite cleaning and painting of the 45th Street bridge architectural panels.

Overall Project completion is June 2017.

STATIONS/PARKING/FACILITIES

Station Building Renewal Projects

The project scope is to furnish and install a new elevator at Port Chester Station and replace the adjacent stairs to the platform (outbound side); demolish an abandoned building; and construct an ADA compliant ramp on the inbound side. The elevator, machine and storage rooms' foundation work was completed and the elevator's tower framing was erected. Installation of the elevator's piston, rails and jack assembly are underway. Concrete slab was placed for the ADA ramp.

The elevator is forecasted to be in service within the third quarter of 2017.

Harlem 125th Street Improvements

Replace historic stairways located on the south side of 125th Street (Small Business Mentoring Program Tier II) – Continue with pre-construction submittals; site mobilization to commence in June 2017.

Exterior Lighting Improvements & Arts & Design Work on the Viaduct – The design package is complete and the procurement phase to commence in April 2017 with acquiring construction services from Tier 1 Small Business Mentoring Program. Award is anticipated in July 2017.

Design of Grand Central Terminal (GCT) and Outlying Stations Audio and Visual Information System Replacements

The purpose of this project is to design a replacement for GCT's Information System (big boards, gate boards, digital track indicators, monitors and platform displays) with a modern, more capable and robust infrastructure as well as develop a new station public address system that will provide audio and visual display of scheduled trains at outlying stations. The preliminary design is being finalized to prepare GCT and Outlying Station Design Packages for visual and audio public address system infrastructure. Both GCT and Outlying Stations will be proceeding with design-build project delivery methods. Of the eight CSI packages, three were advertised in November 2016; three in January 2017; one in March 2017; and the remaining package in April 2017.

Enhanced Station Improvements at Harlem-125th Street, Riverdale, Crestwood, White Plains and Port Chester

Through a joint procurement, Metro-North and Long Island Rail Road awarded a contract in July 2016 to a Best Practices Design Consultant to advise on industry best practices as a means to enhance the aesthetics and amenities of stations, passenger experience, and improve stations through design innovation and excellence, all with minimal disruptions to customers. The design documents are progressing to 30% level, with completion anticipated in May 2017. It is anticipated that a design-build contract will be awarded in the third quarter of 2017.

POWER

Power, C&S Infrastructure Restoration Phase I – Sandy (Design-Build)

Continued Track 3 outage from CP26 to CP33 (North of Tarrytown to South of Croton Harmon), with completion forecasted in April 2017. During this outage, reverse off-peak busing is provided for customers at Philipse Manor and Scarborough stations. Work progress includes the following adjacent to track 3:

- Completed installation of signal power and communication and signal(C&S) cables through duct bank/conduit raceways. Also completed installation of stainless steel trough at interlocking locations. Punchlist work is underway.
- Reinforcing steel installation continues in preparation for the concrete placement of the elevated platforms.
- Conduit installation continues across tracks for signal power and C&S cables along Sing Sing wall.

Overall project completion of Phase I is anticipated in January 2018.

Power Infrastructure Restoration – Substations – Sandy

Riverdale and Tarrytown: Continue with component testing, switchgear wiring and terminations, and installation of lighting and fire alarms in the substations' vault.

Croton-Harmon: Factory Acceptance Testing of the electrical switchgear was successfully completed; delivery is scheduled in May 2017.

Overall project completion anticipated in third quarter 2017.

Harlem & Hudson Lines Power Improvements

Construction of 86th Street Substation and 110th Street Negative Return Reactors

- 86th St.: Demolition and removal of equipment at the east platform to commence in April 2017. Footings for new columns and pit work for AC switchgear at the west platform continues. Installation of the Con Edison low voltage services is underway. Fabrication and testing of DC switchgear equipment was complete in February 2017. Fabrication of AC switchgear equipment is in progress and Factory Acceptance Testing is scheduled for April 2017. Both AC and DC switchgear equipment is forecasted to be delivered in the second quarter of 2017.
- 110th St. (replacement of negative return reactors in the substation under the viaduct): Operating as of July 2016.

Brewster Substation – Factory Acceptance Testing of the electrical switchgear was successfully completed; delivery is scheduled in May 2017.

Brewster Substation completion will be in third quarter 2017 with overall project completion by first quarter 2018.

Substation Replacement Bridge-23

- Mount Vernon - Signal substation supervisory control and data acquisition (SCADA) system package fabrication is complete; Factory Acceptance Test has been scheduled for April 2017.
- Pelham - Final testing of the voltage balancing station continues with acceptance anticipated in April 2017. Pipe Bridge 31T installation at Columbus Ave location was completed.
- New Rochelle – Final preparation for a future 15KV power redundancy connection is underway with completion anticipated in April 2017.

Overall project completion anticipated in October 2017.

TRACK AND STRUCTURES

Bronx Drainage Phase II B Improvements between Mott Haven and Fordham

Pipe installation between E 162nd Street and E 168th Street has been on hold due to the winter weather. It will resume and be completed within second quarter of 2017. Track outages are being coordinated with the CP109 project. The work includes the installation of a track under-drain system between Mott Haven Yard and Fordham on Metro-North's Harlem Line. This work is the second phase of a multi-phase project in which this system will be connected to the New York City Department of Environmental Protection's (NYCDEP) combined sewer at the intersection point where NYCDEP's pipes cross under the tracks.

Inspection and Load Rating of Select Undergrade Bridges in New York State

The field inspection phase of the bridges continues and is nearing completion. Associated Inspection and Load Rating reports continue to be submitted and reviewed by key stakeholders.

Project completion anticipated in March 2018.

Undergrade Bridges – West of Hudson (between Harriman and Campbell Hall Stations)

Force account repairs to three bridges along the Port Jervis Line will commence in the second quarter of 2017. Overall project completion anticipated in December 2018.

Design-Build of Prospect Hill Road Bridge (Southeast Station)

Design-build proposals were received and are under review by the selection committee; project kickoff to commence by summer 2017. It is anticipated that Prospect Hill Road Bridge will be opened for vehicular service by first quarter 2019.

COMMUNICATIONS AND SIGNAL

Positive Train Control (PTC)

Subsystem Designs being finalized. On-Board and office software is in development. Surveys and FCC / Tribal applications continue for communication site locations, with a third of all sites approved by the FCC. Civil Speed Enforcement (MAS) is available from New Rochelle to New Haven for use by Amtrak revenue service. Installation and testing of PTC transponders is complete for Pilot 2 (Hudson Line CP 25 to 35) and is ongoing for Pilot 1 (New Haven Line CP 255 to CP 274). Wayside subsystem deliveries continue to support the installation of pilot locations. Wayside segment deliveries continue and are forecasted to complete in December 2017. P32 locomotives and Cab Car On Board hardware installation was completed. M7A on-board PTC hardware installation commenced in August 2016 and is ongoing. 62 M7A on-boards kits out of 167 have been installed to-date. Training of employees continues. Project is on schedule to meet the FRA requirements of December 31, 2018.

West of Hudson Signal Improvements

The purpose of this project is to install a new 100 Hz Cab Signal system replacing the existing antiquated system on the Port Jervis Line between Suffern, NY (MP 31.3) and Sparrowbush, NY (MP 89.9), with the work divided into five segments. MNR forces are continuing to work on installations in preparation for a series of cut overs. The first signal cut over is currently scheduled for April 2017 from CP-Sterling to Suffern. The second cut over from CP-Sterling to CP-Harriman is scheduled for August of 2017.

SHOPS AND YARDS

Harmon Shop Improvements

Phase V, Stage I Design-Build

- Consist Shop Facility/Building 6 (CSF): Completed installation of track pedestal steel and placement of concrete for entrance ramps. Continued with installation of: exterior metal wall panel system, partition walls and platform railings.
- EMU (Electric Multiple Unit) Annex Building: Completed installation of exterior metal wall panels. Continued with installation of roofing, architectural partitions on the second

floor, as well as installation of mechanical, electrical and plumbing services on the ground and second floors.

- Yard Utilities and Miscellaneous: Installation of electrical duct banks continues. Commenced installation of temporary protective shield/platform for gas line on the bridge.

Overall, Phase V, Stage 1 construction completion is anticipated in January 2018.

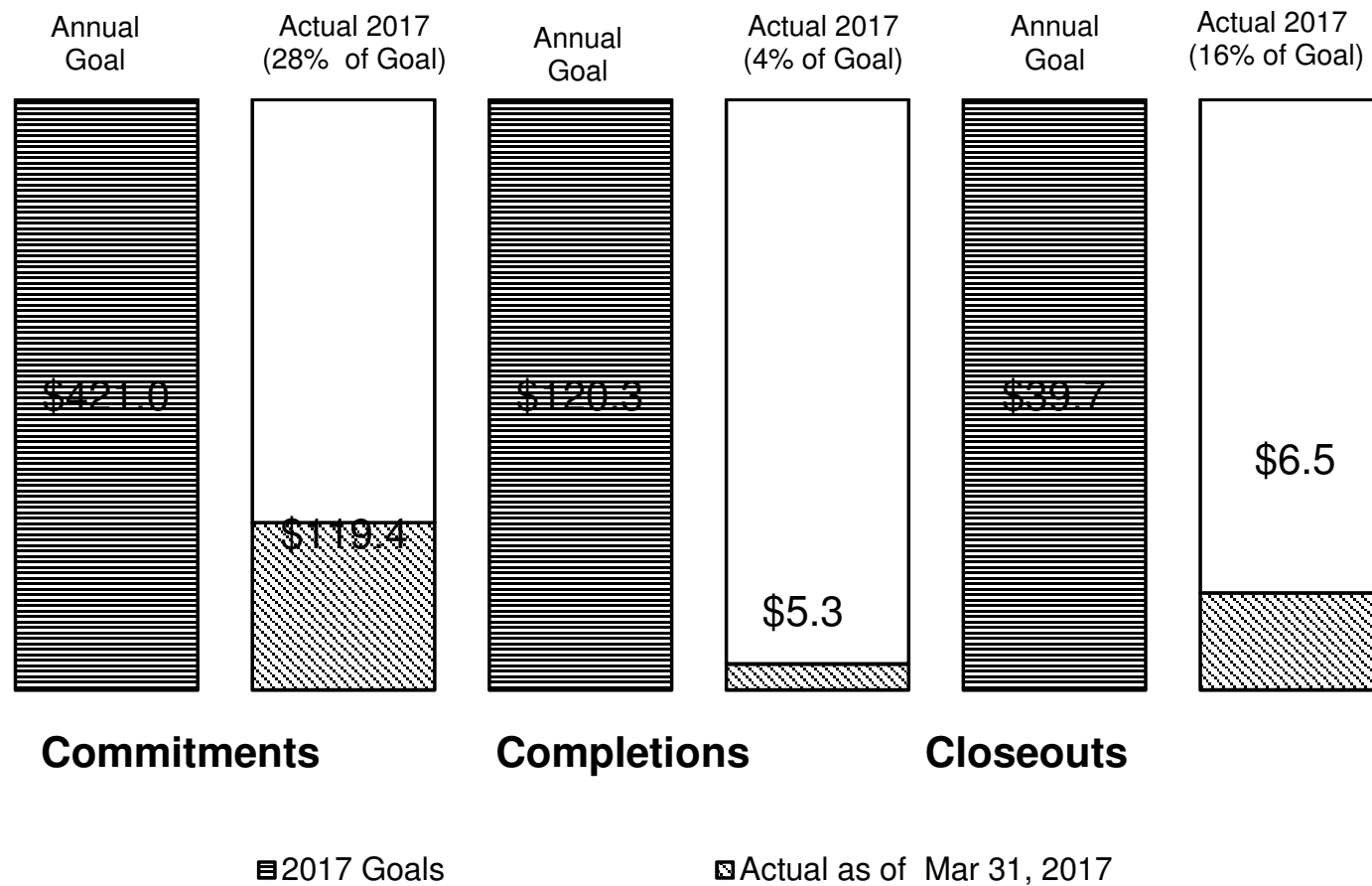
Phase V Stage II Preliminary Design

- The Stage II draft Preliminary Design comments for the Running Repair and Support Facility are being incorporated into the final submission which is anticipated in April 2017. Data collection for the Hudson and Harlem Master Plan update is complete and a draft report summarizing the data is also expected in April 2017.

2017 MNR Capital Program Goals

As of March 31, 2017

In Millions





LONG ISLAND RAIL ROAD



Monthly Operating Report March 2017

Patrick Nowakowski
President

04/24/17 *****

Performance Summary

Performance Summary			2017 Data			2016 Data	
			Annual	YTD thru		YTD thru	
			Goal	Mar	Mar	Mar	Mar
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	System	Overall	94.0%	90.9%	90.9%	95.2%	93.1%
		AM Peak		91.7%	89.6%	95.3%	92.2%
		PM Peak		83.8%	84.0%	94.6%	89.8%
		Total Peak		87.9%	86.9%	95.0%	91.0%
		Off Peak Weekday		91.1%	90.8%	94.5%	93.0%
		Weekend		94.8%	95.9%	97.3%	95.6%
	Babylon Branch	Overall	93.9%	90.8%	90.3%	94.7%	92.8%
		AM Peak		93.1%	90.1%	97.0%	93.3%
		PM Peak		82.8%	82.4%	92.1%	86.9%
		Total Peak		88.3%	86.5%	94.7%	90.3%
		Off Peak Weekday		92.0%	90.9%	94.7%	93.5%
		Weekend		92.3%	95.3%	94.6%	95.1%
	Far Rockaway Branch	Overall	96.6%	95.8%	94.5%	97.6%	96.5%
		AM Peak		92.9%	90.8%	96.0%	93.4%
		PM Peak		93.2%	90.7%	98.1%	96.0%
		Total Peak		93.0%	90.7%	97.0%	94.6%
		Off Peak Weekday		96.1%	94.6%	97.8%	97.2%
		Weekend		98.6%	98.2%	97.8%	96.9%
	Huntington Branch	Overall	92.5%	87.8%	89.1%	93.9%	90.7%
		AM Peak		89.6%	88.1%	96.0%	91.9%
		PM Peak		73.3%	77.4%	94.1%	88.1%
		Total Peak		81.7%	82.9%	95.1%	90.1%
		Off Peak Weekday		86.5%	88.1%	90.5%	88.0%
		Weekend		96.3%	95.8%	98.4%	94.6%
	Hempstead Branch	Overall	96.5%	92.9%	92.0%	97.7%	95.9%
		AM Peak		92.2%	89.7%	97.8%	96.7%
		PM Peak		84.5%	84.7%	97.6%	92.2%
		Total Peak		88.6%	87.3%	97.7%	94.6%
		Off Peak Weekday		93.3%	91.9%	97.4%	96.5%
		Weekend		97.4%	97.1%	98.6%	96.1%
	Long Beach Branch	Overall	95.9%	92.2%	91.7%	97.0%	95.0%
		AM Peak		93.8%	91.3%	97.1%	95.6%
		PM Peak		83.0%	85.3%	98.0%	91.4%
		Total Peak		88.7%	88.4%	97.5%	93.6%
		Off Peak Weekday		92.9%	91.3%	95.7%	94.5%
		Weekend		95.8%	96.9%	100.0%	97.5%
	Montauk Branch	Overall	90.8%	91.1%	90.6%	93.3%	91.8%
		AM Peak		95.7%	88.3%	85.9%	86.1%
		PM Peak		87.3%	86.1%	94.5%	92.0%
		Total Peak		91.7%	87.3%	90.1%	88.9%
		Off Peak Weekday		92.3%	91.5%	94.4%	92.8%
		Weekend		87.8%	91.9%	94.5%	92.6%
	Oyster Bay Branch	Overall	94.1%	88.7%	90.6%	93.6%	91.6%
		AM Peak		90.7%	89.1%	96.9%	94.5%
		PM Peak		78.3%	83.3%	90.6%	85.8%
		Total Peak		84.9%	86.4%	94.0%	90.4%
		Off Peak Weekday		88.4%	91.1%	92.1%	90.9%
		Weekend		96.0%	95.3%	97.2%	94.9%

Performance Summary		2017 Data			2016 Data	
		Annual	YTD thru		YTD thru	
		Goal	Mar	Mar	Mar	Mar
Port Jefferson Branch	Overall	90.9%	87.0%	88.8%	88.1%	87.7%
	AM Peak		90.2%	87.5%	91.3%	86.5%
	PM Peak		80.7%	83.7%	92.5%	87.6%
	Total Peak		85.8%	85.7%	91.9%	87.0%
	Off Peak Weekday		83.5%	86.2%	82.4%	83.8%
	Weekend		97.3%	97.6%	96.4%	96.0%
Port Washington Branch	Overall	95.3%	91.5%	91.7%	97.7%	94.8%
	AM Peak		90.3%	92.8%	96.9%	93.9%
	PM Peak		86.5%	84.9%	94.7%	88.9%
	Total Peak		88.4%	88.7%	95.8%	91.3%
	Off Peak Weekday		90.7%	90.6%	98.0%	95.0%
	Weekend		98.0%	97.3%	99.8%	98.1%
Ronkonkoma Branch	Overall	91.6%	88.7%	88.8%	93.4%	90.8%
	AM Peak		88.9%	86.1%	91.8%	87.1%
	PM Peak		87.5%	85.9%	96.1%	92.8%
	Total Peak		88.3%	86.0%	93.8%	89.7%
	Off Peak Weekday		88.9%	88.7%	92.8%	90.6%
	Weekend		88.8%	92.8%	94.2%	92.7%
West Hempstead Branch	Overall	95.8%	94.6%	93.9%	97.7%	95.9%
	AM Peak		93.9%	90.8%	97.4%	94.1%
	PM Peak		85.5%	85.4%	93.5%	90.7%
	Total Peak		89.3%	87.9%	95.3%	92.3%
	Off Peak Weekday		96.8%	95.6%	99.1%	98.2%
	Weekend		97.2%	98.4%	98.6%	95.7%
Operating Statistics						
Trains Scheduled			21,305	61,174	21,085	60,198
Avg. Delay per Late Train (min) excluding trains canceled or terminated			-12.9	-13.7	-12.0	-13.9
Trains Over 15 min. Late excluding trains canceled or terminated			351	1,152	153	824
Trains Canceled			161	444	39	477
Trains Terminated			123	253	23	160
Percent of Scheduled Trips Completed			98.7%	98.9%	99.7%	98.9%
Consist Compliance (Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)						
		AM Peak	99.0%			
		PM Peak	98.3%			
		Total Peak	98.7%			

System Categories Of Delay	% Total	2017	2017 Data		2016 Data		YTD 2016 Vs 2015
		Feb	Mar	YTD Thru Mar	Mar	YTD Thru Mar	
Engineering (Scheduled)	3.0%	51	59	157	58	148	9
Engineering (Unscheduled)	21.4%	362	415	959	91	412	547
Maintenance of Equipment	8.8%	224	171	610	120	501	109
Transportation	2.2%	196	43	286	28	117	169
Capital Projects	1.8%	2	35	42	15	34	8
Weather and Environmental	16.3%	760	315	1,426	24	1,234	192
Police	6.6%	78	127	464	157	335	129
Customers	17.7%	244	342	870	306	769	101
Other	7.1%	40	138	275	162	393	(118)
3rd Party Operations	15.0%	90	290	482	53	223	259
Total	100.0%	2,047	1,935	5,571	1,014	4,166	1,405

EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS

Date	Day	DESCRIPTION OF EVENT	AM Peak			PM Peak			Off Peak			TOTAL		
			L	C	T	L	C	T	L	C	T	Late	Cxld	Term
3-Mar	Fri	Fire near the tracks east of Mineola	1	1					10	4	4	11	5	4
3-Mar	Fri	Train 156 cancelled in Jamaica with equipment trouble				6	1	1	3			9	1	1
6-Mar	Mon	Amtrak related signal trouble in C Interlocking				14	45		18	3	19	32	48	19
8-Mar	Wed	Amtrak related Track signal trouble in JO Interlocking				23	3		14			37	3	
11-Mar	Sat	Track condition east of Brent Interlocking							4	1	5	4	1	5
12-Mar	Sun	Police activity in Penn Station							17	1	2	17	1	2
13-Mar	Mon	Amtrak related switch trouble in "F" Interlocking	12									12		
14-Mar	Tues	Winter Storm Stella	89	2	1	14	7	5	83	9	1	186	18	7
14-Mar	Tues	Circuit trouble on Port Washington Branch				4	3		7			11	3	
17-Mar	Fri	Track car collision on the Main Line at Mineola				64	12	2	71	5	1	135	17	3
20-Mar	Mon	Broken rail at Neck Interlocking			1						26			27
20-Mar	Mon	Track circuit failure at Harold Interlocking	5	2					4			9	2	
20-Mar	Mon	Train 2021 requiring medical assistance in Jamaica	11						11			22		
22-Mar	Wed	Track circuit failure east of Queens Interlocking				10	1		5			15	1	
23-Mar	Thurs	Track circuit failure at Covert Avenue	2						13			15		
23-Mar	Thurs	Train 2068 with equipment trouble at Mineola Station				15		1	2			17		1
24-Mar	Fri	AM2151 derailment in Penn Station				45	20	4	29	7	18	74	27	22
27-Mar	Mon	Radio communication failure				8	1		7			15	1	
27-Mar	Mon	Bridge strike at Nassau Blvd.				7	1		8			15	1	
29-Mar	Wed	Train 764 disabled in Jay Interlocking				38	1		5			43	1	
31-Mar	Fri	Equipment train 5308 with equipment trouble in JO Interlocking	11									11		
TOTAL FOR MONTH			131	5	2	248	95	13	311	30	76	690	130	91
													911	



Long Island Rail Road

OPERATIONS

MECHANICAL REPORT

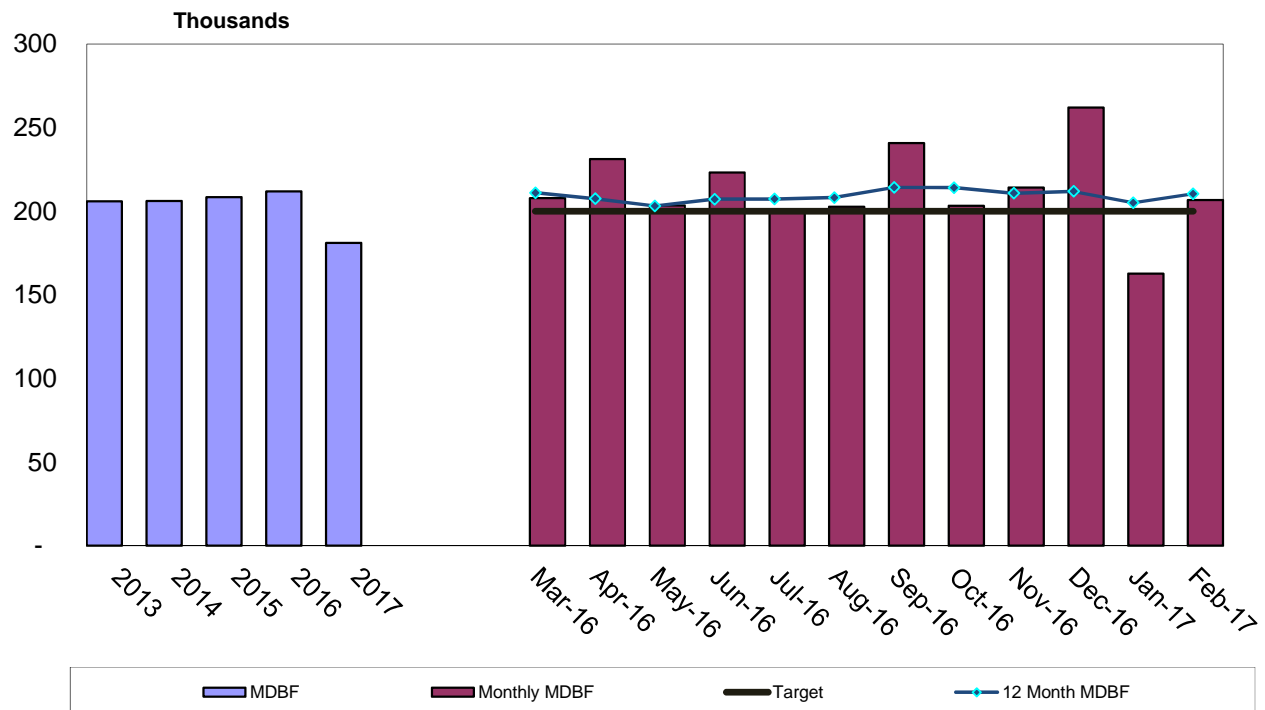
Long Island Rail Road

MEAN DISTANCE BETWEEN FAILURES - FEBRUARY 2017

	Equip- ment Type	Total Fleet Size	2017 Data					2016 Data		
			MDBF Goal (miles)	February MDBF (miles)	February No. of Primary Failures	YTD MDBF thru February (miles)	12 month MDBF Rolling Avg (miles)	February MDBF (miles)	February No. of Primary Failures	YTD MDBF thru February (miles)
Mean	M-3	150	67,000	46,317	11	61,232	61,756	65,812	7	84,602
Distance	M-7	836	440,000	472,674	10	398,478	455,136	276,218	18	356,132
Between Failures	DM	21	22,000	66,182	1	28,030	28,001	19,692	4	26,125
	DE	24	22,000	20,778	4	19,398	22,768	25,501	3	17,588
	C-3	134	122,000	203,904	3	99,337	156,886	80,894	8	106,390
	Diesel	179	65,000	95,126	8	59,486	77,143	53,495	15	58,953
	Fleet	1,165	200,000	206,801	29	181,004	210,572	155,876	40	186,737

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS Mean Distance Between Failure 2013 - 2017





Standee Report

East Of Jamaica

			2017 Data	
			March	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	0	19
		Total Standees	0	19
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Huntington Branch	Program Standees	40	0
		Add'l Standees	6	1
		Total Standees	46	1
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Long Beach Branch	Program Standees	0	0
		Add'l Standees	4	0
		Total Standees	4	0
	Montauk Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	9	3
		Total Standees	9	3
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Port Washington Branch	Program Standees	0	0
		Add'l Standees	15	24
		Total Standees	15	24
	Ronkonkoma Branch	Program Standees	0	0
		Add'l Standees	20	50
		Total Standees	20	50
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
System Wide PEAK			95	97

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"**Program Standees**" is the average number of customers in excess of programmed seating capacity.

"**Additional Standees**" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains.

Holidays and Special Events for which there are special equipment programs are not included.



Long Island Rail Road

OPERATING REPORT FOR MONTH OF MARCH 2017

Standee Report

West Of Jamaica

			2017 Data March	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	3	34
		Total Standees	3	34
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	2	0
		Total Standees	2	0
	Huntington Branch	Program Standees	40	0
		Add'l Standees	8	59
		Total Standees	48	59
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	21
		Total Standees	0	21
	Long Beach Branch	Program Standees	28	0
		Add'l Standees	17	0
		Total Standees	45	0
	Montauk Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	10	1
		Total Standees	10	1
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Port Washington Branch	Program Standees	0	0
		Add'l Standees	15	24
		Total Standees	15	24
	Ronkonkoma Branch	Program Standees	0	0
		Add'l Standees	13	26
		Total Standees	13	26
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	7	0
		Total Standees	7	0
System Wide PEAK			143	166

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"Program Standees" is the average number of customers in excess of programmed seating capacity.

"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains.

Holidays and Special Events for which there are special equipment programs are not included.

ELEVATOR AND ESCALATOR OPERATING REPORT FOR MONTH OF MARCH 2017

Elevator Availability		2017		2016	
		March	Year to Date	March	Year to Date
Branch	Babylon Branch	98.90%	99.00%	98.80%	98.90%
	Far Rockaway Branch	99.20%	98.90%	98.90%	98.80%
	Hempstead Branch	99.10%	99.20%	98.90%	99.10%
	Long Beach Branch	98.90%	98.50%	99.10%	99.50%
	Port Jefferson Branch	98.90%	99.00%	97.50%	98.50%
	Port Washington Branch	99.20%	99.40%	99.30%	98.80%
	Ronkonkoma Branch	98.70%	98.80%	99.50%	98.60%
	City Terminal Stations	99.40%	97.70%	98.50%	97.40%
	Overall Average	99.00%	98.70%	98.80%	98.40%

Escalator Availability		2017		2016	
		March	Year to Date	March	Year to Date
Branch	Babylon Branch	97.10%	97.40%	98.30%	97.70%
	Far Rockaway Branch	99.10%	98.60%	98.70%	98.00%
	Hempstead Branch	98.20%	98.80%	98.30%	95.80%
	Long Beach Branch	90.70%	91.00%	98.60%	98.20%
	Port Jefferson Branch	97.90%	97.70%	97.80%	97.20%
	City Terminal	99.90%	99.40%	99.80%	99.50%
	Overall Average	98.30%	98.20%	99.00%	98.50%



Long Island Rail Road

OPERATIONS
SAFETY REPORT

February Safety Report

Statistical results for the 12-Month period are shown below.

Performance			
Performance Indicator	12-Month Average		
	March 2014- February 2015	March 2015- February 2016	March 2016 - February 2017
FRA Reportable Customer Accident Rate per Million Customers	4.64	4.27	2.89
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	3.86	3.22	3.19
Grade Crossing Incidents ¹	3	13	8
Mainline FRA Reportable Train Derailments	0	0	3
Mainline FRA Reportable Train Collisions	3	2	2

¹ Per FRA - Any impact between railroad on-track equipment and a highway user at a highway-rail grade crossing. The term "highway user" includes automobiles, buses, trucks, motorcycles, bicycles, farm vehicles, pedestrians, and all other modes of surface transportation motorized and un-motorized.

Leading Indicators				
Focus on Safety Training	2016		2017	
	February	Year to Date	February	Year to Date
First Responders Trained	27	1,537	134	413
Employee Safety Training Courses	99	210	87	124
Employees Trained	1,088	6,013	1,083	2,029
Employee Safety Training Hours	21,762	223,736	20,549	50,409
Customer and Community: Focus on Grade Crossings	February	Year to Date	February	Year to Date
Broken Gates	14	23	7	15
MTA Police Details	41	104	57	98
Summons	114	241	198	321
Warnings	61	169	99	151
Arrests	0	0	0	0
Community Education and Outreach	8,756	17,499	10,342	17,655
		Completed	Total	% Complete
Cameras on Rolling Stock	Production to begin in May 2017		TBD	TBD

Definitions:

First Responders Trained - The number of first responders trained to assist in crisis events.

Employee Safety Training Courses - The number of distinct safety-related courses offered, including technical courses that have a safety element. Repeats are excluded so that each course is counted only once.

Employees Trained - The number of unique employees that attended one or more of these safety-related courses.

Employee Safety Training Hours - The total hours of training completed by employees in all safety-related courses attended.

Broken Gates - The number of events at grade crossing locations where a vehicle broke a crossing gate.

MTA Police Detail - The number of details specifically for the purpose of monitoring behavior at Grade Crossings.

Summons for Grade Crossing Violation and other Infractions - The number of violations issued to a motorist for going around a crossing gate or due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

Warnings - The number of warnings issued to motorists due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

Community Education and Outreach - The number of participants who attended a TRACKS, Operation LifeSaver, or Railroad Safety Awareness Event.

Cameras on Rolling Stock - Number of complete inward/outward camera installations on rolling stock.

**ELEVATOR AND ESCALATOR INJURY/ENTRAPMENT REPORT
FOR MONTH OF MARCH 2017**

Elevators	Mechanical Injury	Human Factor Injury	Entrapment
There were no Elevator incidents reported in the month of March 2017			

Escalators	Mechanical Injury	Human Factor Injury
Hicksville	0	2
Penn Station	0	2

Definitions:

Mechanical includes sudden changes in speed, handrail, alignment. **Human Factor** includes lost balance, encumbrances, slip/trip/fall, pushed/shoved, intoxication, caught between, etc. **Entrapment** is defined as when customers are removed from an elevator with special tools or training. These events require intervention but not necessarily involve a customer injury.



Long Island Rail Road

Monthly Financial Report

February 2017

**MTA LONG ISLAND RAIL ROAD
FEBRUARY 2017 FINANCIAL REPORT
YEAR TO DATE ACTUAL VERSUS ADOPTED BUDGET
(\$ In Millions)**

SUMMARY

February YTD operating results were favorable by \$17.7 or 8.3% lower than the Adopted Budget.

Non-Reimbursable revenues through February were \$1.4 favorable to budget. Farebox Revenue was favorable as a result of higher ridership. This was partially offset by timing of advertising revenue. Total Non-Reimbursable expenses through February were \$16.3 favorable due to lower labor expenses as a result of vacant positions and associated fringe costs, depreciation and timing of materials.

YTD capital and other reimbursable expenditures (and reimbursements) were \$0.1 higher than the Adopted Budget due to timing of capital and other reimbursements.

REVENUE/RIDERSHIP

Year-to-date February **Total Revenues** (including Capital and Other Reimbursements) of \$163.2 were \$1.5 or 0.9% favorable to the Adopted Budget.

- **Y-T-D Farebox Revenues** were \$2.4 favorable to budget due to higher ridership. Ridership through February was 13.5 million. This was 3.1% above 2016 (adjusted for same number of calendar work days) and 2.6% higher than budget.
- **Y-T-D Other Operating Revenues** were \$(1.0) unfavorable to budget due to timing of advertising revenue.
- **Y-T-D Capital and Other Reimbursements** were \$0.1 favorable due to timing of capital activity and interagency reimbursements.

EXPENSES

Year-to-date February **Total Expenses** (including depreciation and other) of \$357.7 were favorable to the Adopted Budget by \$16.2 or 4.3%.

Labor Expenses, \$6.5 favorable Y-T-D.

- **Payroll**, \$5.0 favorable Y-T-D (primarily vacant positions).
- **Overtime**, \$(0.7) unfavorable Y-T-D (higher capital project activity, maintenance and vacancy/absentee coverage, partially offset by lower unscheduled/scheduled service and weather-related overtime).
- **Health & Welfare**, \$0.9 favorable Y-T-D (vacant positions).
- **OPEB Current Payment**, \$1.3 favorable Y-T-D (fewer retirees/beneficiaries than projected).
- **Other Fringe**, \$(0.1) unfavorable Y-T-D (Higher FELA indemnity Reserves).

Non-Labor Expenses, \$8.0 favorable Y-T-D.

- **Electric Power**, on budget.
- **Fuel**, \$(0.2) unfavorable Y-T-D (primarily higher rates and accrual adjustments).
- **Insurance**, \$0.5 favorable YTD (Liability and Force Account Insurance).
- **Maintenance and Other Operating Contracts**, \$(1.2) unfavorable Y-T-D (primarily timing of prior year accrual reversals for non-revenue vehicle repairs, refuse, real estate rent and vegetation management, partially offset by timing of capital project activity).
- **Professional Services**, \$(1.7) unfavorable Y-T-D (timing of prior year accrual reversals for rail grinding and track bed maintenance, legal fees and various other professional services).
- **Materials and Supplies**, \$10.2 favorable Y-T-D (primarily timing of modifications and Reliability Centered Maintenance activity for revenue fleet and miscellaneous inventory adjustments).
- **Other Business Expense**, \$0.3 favorable Y-T-D (lower bad debt, lower stationary, print and office supplies and higher restitution of property damage, partially offset by higher debit/credit card fees.)

Depreciation and Other, \$1.7 favorable Y-T-D (timing of Depreciation).

CASH DEFICIT SUMMARY

The Cash Deficit through February of \$117.8 was \$25.2 favorable to the Adopted Budget due to lower expenditures.

FINANCIAL PERFORMANCE MEASURES

- The year-to-date Farebox Operating Ratio was 45.5%, 3.3 percentage points above the Adopted Budget resulting from lower expenses and higher revenue.
- Through February, the Adjusted Farebox Operating Ratio was 52.6%, which is favorable to the Adopted Budget due to lower expenses and higher revenue.
- Through February, the Adjusted Cost per Passenger was \$16.39, which is lower than the Adopted Budget due to lower expenses and higher ridership.
- Through February, the Revenue per Passenger was \$8.18, which was below the Adopted Budget.

TABLE 1

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
FEBRUARY 2017
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$52.842	\$53.841	\$0.999	1.9	\$0.000	\$0.000	\$0.000	-	\$52.842	\$53.841	\$0.999	1.9
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	3.611	4.070	0.459	12.7	0.000	0.000	0.000	-	3.611	4.070	0.459	12.7
Capital & Other Reimbursements	0.000	0.000	0.000	-	22.239	17.688	(4.551)	(20.5)	22.239	17.688	(4.551)	(20.5)
Total Revenue	\$56.453	\$57.911	\$1.458	2.6	\$22.239	\$17.688	(\$4.551)	(20.5)	\$78.692	\$75.598	(\$3.094)	(3.9)
Expenses												
<i>Labor:</i>												
Payroll	\$41.361	\$40.538	\$0.823	2.0	\$8.524	\$6.231	\$2.293	26.9	\$49.885	\$46.769	\$3.116	6.2
Overtime	12.216	12.431	(0.215)	(1.8)	1.752	1.259	0.493	28.2	13.968	13.689	0.279	2.0
Health and Welfare	9.451	9.263	0.188	2.0	1.749	1.563	0.186	10.6	11.200	10.827	0.373	3.3
OPEB Current Payment	5.756	5.129	0.627	10.9	0.000	0.000	0.000	-	5.756	5.129	0.627	10.9
Pensions	12.536	13.153	(0.617)	(4.9)	2.842	2.224	0.618	21.7	15.378	15.377	0.001	0.0
Other Fringe Benefits	12.563	12.866	(0.303)	(2.4)	1.788	1.628	0.160	9.0	14.351	14.494	(0.143)	(1.0)
Reimbursable Overhead	(1.943)	(2.104)	0.161	8.3	1.943	2.104	(0.161)	(8.3)	0.000	0.000	0.000	-
Total Labor Expenses	\$91.940	\$91.276	\$0.664	0.7	\$18.598	\$15.009	\$3.589	19.3	\$110.538	\$106.285	\$4.253	3.8
<i>Non-Labor:</i>												
Electric Power	\$7.698	\$7.198	\$0.500	6.5	\$0.000	\$0.048	(\$0.048)	-	\$7.698	\$7.245	\$0.453	5.9
Fuel	1.479	1.582	(0.103)	(7.0)	0.000	0.000	0.000	-	1.479	1.582	(0.103)	(7.0)
Insurance	2.028	1.824	0.204	10.0	0.506	0.246	0.260	51.3	2.534	2.071	0.463	18.3
Claims	0.364	0.360	0.004	1.0	0.000	0.000	0.000	-	0.364	0.360	0.004	1.0
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	6.274	7.036	(0.762)	(12.1)	0.996	0.515	0.481	48.3	7.270	7.551	(0.281)	(3.9)
Professional Service Contracts	2.693	3.819	(1.126)	(41.8)	0.047	(0.382)	0.429	*	2.740	3.437	(0.697)	(25.4)
Materials & Supplies	13.716	9.120	4.596	33.5	2.068	2.171	(0.103)	(5.0)	15.784	11.291	4.493	28.5
Other Business Expenses	1.319	0.990	0.329	24.9	0.024	0.080	(0.056)	*	1.343	1.070	0.273	20.3
Total Non-Labor Expenses	\$35.571	\$31.930	\$3.641	10.2	\$3.641	\$2.678	\$0.963	26.4	\$39.212	\$34.608	\$4.604	11.7
<i>Other Expense Adjustments:</i>												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$127.511	\$123.206	\$4.305	3.4	\$22.239	\$17.688	\$4.551	20.5	\$149.750	\$140.893	\$8.857	5.9
Depreciation	\$28.274	\$27.378	\$0.896	3.2	\$0.000	\$0.000	\$0.000	-	\$28.274	\$27.378	\$0.896	3.2
Other Post Employment Benefits	7.165	8.577	(1.412)	(19.7)	0.000	0.000	0.000	-	7.165	8.577	(1.412)	(19.7)
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.167	0.167	0.000	0.2	0.000	0.000	0.000	-	0.167	0.167	0.000	0.2
Total Expenses	\$163.117	\$159.327	\$3.790	2.3	\$22.239	\$17.688	\$4.551	20.5	\$185.356	\$177.014	\$8.342	4.5
Net Surplus/(Deficit)	(\$106.664)	(\$101.416)	\$5.248	4.9	\$0.000	\$0.000	\$0.000	-	(\$106.664)	(\$101.416)	\$5.248	4.9
<i>Cash Conversion Adjustments</i>												
Depreciation	\$28.274	\$27.378	(\$0.896)	(3.2)	\$0.000	\$0.000	\$0.000	-	\$28.274	\$27.378	(\$0.896)	(3.2)
Operating/Capital	(0.037)	(0.196)	(0.159)	*	0.000	0.000	0.000	-	(0.037)	(0.196)	(0.159)	*
Other Cash Adjustments	8.825	27.834	19.009	*	0.000	0.000	0.000	-	8.825	27.834	19.009	*
Total Cash Conversion Adjustments	\$37.062	\$55.016	\$17.954	48.4	0.000	\$0.000	\$0.000	-	\$37.062	\$55.016	\$17.954	48.4
Net Cash Surplus/(Deficit)	(\$69.602)	(\$46.400)	\$23.202	33.3	\$0.000	\$0.000	\$0.000	-	(\$69.602)	(\$46.400)	\$23.202	33.3

Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

TABLE 2

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
FEBRUARY Year-To-Date
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$107.494	\$109.888	\$2.394	2.2	\$0.000	\$0.000	\$0.000	-	\$107.494	\$109.888	\$2.394	2.2
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	7.212	6.238	(0.974)	(13.5)	0.000	0.000	0.000	-	7.212	6.238	(0.974)	(13.5)
Capital & Other Reimbursements	0.000	0.000	0.000	-	46.986	47.079	0.093	0.2	46.986	47.079	0.093	0.2
Total Revenue	\$114.706	\$116.126	\$1.420	1.2	\$46.986	\$47.079	\$0.093	0.2	\$161.692	\$163.205	\$1.513	0.9
Expenses												
<i>Labor:</i>												
Payroll	\$85.828	\$82.814	\$3.014	3.5	\$18.207	\$16.217	\$1.990	10.9	\$104.035	\$99.031	\$5.004	4.8
Overtime	23.576	23.140	0.436	1.9	3.518	4.597	(1.079)	(30.7)	27.094	27.737	(0.643)	(2.4)
Health and Welfare	18.617	17.460	1.157	6.2	3.707	3.955	(0.248)	(6.7)	22.324	21.415	0.909	4.1
OPEB Current Payment	11.512	10.237	1.275	11.1	0.000	0.000	0.000	-	11.512	10.237	1.275	11.1
Pensions	24.732	24.777	(0.045)	(0.2)	6.023	5.977	0.046	0.8	30.755	30.755	0.000	0.0
Other Fringe Benefits	25.766	25.381	0.385	1.5	3.790	4.222	(0.432)	(11.4)	29.556	29.603	(0.047)	(0.2)
Reimbursable Overhead	(4.370)	(5.716)	1.346	30.8	4.370	5.716	(1.346)	(30.8)	0.000	0.000	0.000	-
Total Labor Expenses	\$185.661	\$178.092	\$7.569	4.1	\$39.615	\$40.684	(\$1.069)	(2.7)	\$225.276	\$218.776	\$6.500	2.9
<i>Non-Labor:</i>												
Electric Power	\$14.659	\$14.500	\$0.159	1.1	\$0.000	\$0.118	(\$0.118)	-	\$14.659	\$14.618	\$0.041	0.3
Fuel	2.939	3.141	(0.202)	(6.9)	0.000	0.000	0.000	-	2.939	3.141	(0.202)	(6.9)
Insurance	4.056	3.783	0.273	6.7	1.099	0.893	0.206	18.7	5.155	4.677	0.478	9.3
Claims	0.728	0.750	(0.022)	(3.1)	0.000	0.000	0.000	-	0.728	0.750	(0.022)	(3.1)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	12.603	14.830	(2.227)	(17.7)	2.031	0.995	1.036	51.0	14.634	15.825	(1.191)	(8.1)
Professional Service Contracts	4.905	6.374	(1.469)	(29.9)	0.093	0.297	(0.204)	*	4.998	6.671	(1.673)	(33.5)
Materials & Supplies	27.447	17.328	10.119	36.9	4.097	4.022	0.075	1.8	31.544	21.350	10.194	32.3
Other Business Expenses	2.684	2.325	0.359	13.4	0.051	0.070	(0.019)	(37.1)	2.735	2.395	0.340	12.4
Total Non-Labor Expenses	\$70.021	\$63.032	\$6.989	10.0	\$7.371	\$6.395	\$0.976	13.2	\$77.392	\$69.427	\$7.965	10.3
Other Expense Adjustments												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$255.682	\$241.124	\$14.558	5.7	\$46.986	\$47.079	(\$0.093)	(0.2)	\$302.668	\$288.203	\$14.465	4.8
Depreciation	\$56.548	\$54.755	1.793	3.2	\$0.000	\$0.000	\$0.000	-	\$56.548	\$54.755	\$1.793	3.2
Other Post Employment Benefits	14.330	14.404	(0.074)	(0.5)	0.000	0.000	0.000	-	14.330	14.404	(0.074)	(0.5)
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.334	0.333	0.001	0.2	0.000	0.000	0.000	-	0.334	0.333	0.001	0.2
Total Expenses	\$326.894	\$310.617	\$16.277	5.0	\$46.986	\$47.079	(\$0.093)	(0.2)	\$373.880	\$357.696	\$16.184	4.3
Net Surplus/(Deficit)	(\$212.188)	(\$194.491)	\$17.697	8.3	\$0.000	\$0.000	\$0.000	-	(\$212.188)	(\$194.491)	\$17.697	8.3
<i>Cash Conversion Adjustments</i>												
Depreciation	\$56.548	\$54.755	(\$1.793)	(3.2)	\$0.000	\$0.000	\$0.000	-	\$56.548	\$54.755	(\$1.793)	(3.2)
Operating/Capital	(0.074)	(1.092)	(1.018)	*	0.000	0.000	0.000	-	(0.074)	(1.092)	(1.018)	*
Other Cash Adjustments	12.734	23.000	10.266	80.6	0.000	0.000	0.000	-	12.734	23.000	10.266	80.6
Total Cash Conversion Adjustments	\$69.208	\$76.663	\$7.455	10.8	\$0.000	\$0.000	\$0.000	-	\$69.208	\$76.663	\$7.455	10.8
Net Cash Surplus/(Deficit)	(\$142.980)	(\$117.827)	\$25.153	17.6	\$0.000	\$0.000	\$0.000	-	(\$142.980)	(\$117.827)	\$25.153	17.6

Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2017					Year-to-Date February 2017		
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Revenue							
Farebox Revenue	Non Reimb.	0.999	1.9	Higher ridership \$1.266, partially offset by lower yield per passenger \$(0.267).	2.394	2.2	Higher ridership \$2.769, partially offset by lower yield per passenger \$(0.375).
Other Operating Revenue	Non Reimb.	0.459	12.7	Primarily due to higher rental revenue and timing of advertising revenue.	(0.974)	(13.5)	Primarily due to timing of advertising revenue, partially offset by higher rental revenue.
Capital & Other Reimbursements	Reimb.	(4.551)	(20.5)	Timing of capital project activity and interagency reimbursements.	0.093	0.2	Timing of capital project activity and interagency reimbursements.
Expenses							
Payroll	Non Reimb.	0.823	2.0	Primarily vacant positions.	3.014	3.5	Primarily vacant positions, vacation pay accrual/reversal and credits for sick pay law claim.
	Reimb.	2.293	26.9	Primarily due to timing of project activity.	1.990	10.9	Primarily due to timing of project activity.
Overtime	Non Reimb.	(0.215)	(1.8)	Higher vacancy/absentee coverage, prior year accrual that was reversed in error (corrected in February) and higher maintenance overtime, partially offset by lower weather-related overtime and lower scheduled/unscheduled service.	0.436	1.9	Lower weather-related overtime and scheduled/unscheduled service, partially offset by higher maintenance and vacancy/absentee coverage.
	Reimb.	0.493	28.2	Prior year accrual that was reversed in error (corrected in February), partially offset by over-run attributed to 2017 Annual Track program, East Rail Yard, East Side Access projects, Jamaica capacity improvements and Western Rail Yards.	(1.079)	(30.7)	Over-run attributed to Annual Track Program, East Side Access projects, East Rail Yard, Western Rail Yards and Jamaica capacity improvements.
Health and Welfare	Non Reimb.	0.188	2.0	Vacant positions.	1.157	6.2	Vacant positions.
	Reimb.	0.186	10.6	Primarily due to timing of project activity.	(0.248)	(6.7)	Primarily due to timing of project activity.
OPEB Current Payment	Non Reimb.	0.627	10.9	Fewer retirees/beneficiaries.	1.275	11.1	Fewer retirees/beneficiaries.

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2017				Year-to-Date February 2017			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Pensions	Non Reimb.	(0.617)	(4.9)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over-estimated.	(0.045)	(0.2)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over-estimated.
	Reimb.	0.618	21.7	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over-estimated.	0.046	0.8	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over-estimated.
Other Fringe Benefits	Non Reimb.	(0.303)	(2.4)	Primarily higher FELA indemnity reserves, partially offset by lower Railroad Retirement taxes.	0.385	1.5	Lower Railroad Retirement taxes
	Reimb.	0.160	9.0	Primarily due to timing of project activity.	(0.432)	(11.4)	Primarily due to timing of project activity.
Reimbursable Overhead	Reimb.	(0.161)	(8.3)	Primarily due to timing of project activity.	(1.346)	(30.8)	Primarily due to timing of project activity.
	Non Reimb.	0.161	8.3	Primarily due to timing of project activity.	1.346	30.8	Primarily due to timing of project activity.
Electric Power	Non Reimb.	0.500	6.5	Primarily lower consumption, partially offset by higher rates.	0.159	1.1	Primarily lower consumption.
	Reimb.	(0.048)	-		(0.118)	-	
Fuel	Non Reimb.	(0.103)	(7.0)	Higher rates for revenue and non-revenue vehicles.	(0.202)	(6.9)	Higher rates for revenue and non-revenue vehicles.
Insurance	Non Reimb.	0.204	10.0	Lower Liability insurance.	0.273	6.7	Lower Liability insurance.
	Reimb.	0.260	51.3	Force Account Insurance associated with project activity.	0.206	18.7	Force Account Insurance associated with project activity.
Claims	Non Reimb.	0.004	1.0		(0.022)	(3.1)	
Maintenance & Other Operating Contracts	Non Reimb.	(0.762)	(12.1)	Timing of payments (prior year accruals not reversed out) for Penn Station Cleaning and rubbish removal.	(2.227)	(17.7)	Timing of payments (prior year accruals not reversed out) for Penn Station Cleaning, rubbish removal, security guards and vegetation management.
	Reimb.	0.481	48.3	Primarily due to timing of project activity.	1.036	51.0	

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2017				Year-to-Date February 2017			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Professional Service Contracts	Non Reimb.	(1.126)	(41.8)	Timing of payments (prior year accruals not reversed out) for rail grinding and track bed maintenance and other professional services.	(1.469)	(29.9)	Primarily timing of payments (prior year accruals not reversed out) for rail grinding and track bed maintenance.
	Reimb.	0.429	*	Primarily due to timing of project activity.	(0.204)	*	Primarily due to timing of project activity.
Materials & Supplies	Non Reimb.	4.596	33.5	Primarily due to timing of corporate inventory adjustments, modifications for Cameras, MFU/TOD and C3 CCU, AC Shop less running repair and truck shop favorable due to delayed C3 BOM revisions and lower right of way material usage.	10.119	36.9	Primarily due to timing of corporate inventory adjustments, modifications for Cameras, MFU/TOD and C3 CCU and RCM initiatives (M7 Propulsion, Phase 2 Battery and 15 year DE).
	Reimb.	(0.103)	(5.0)	Primarily due to timing of project activity.	0.075	1.8	Primarily due to timing of project activity.
Other Business Expenses	Non Reimb.	0.329	24.9	Primarily higher credits for restitution on property damage, lower expenditures of office supplies and lower bad debt, partially offset by higher credit card fees.	0.359	13.4	Primarily higher credits for restitution on property damage, lower expenditures of office supplies and lower bad debt, partially offset by higher credit card fees.
	Reimb.	(0.056)	*	Primarily due to timing of project activity.	(0.019)	(37.1)	Primarily due to timing of project activity.
Depreciation	Non Reimb.	0.896	3.2	Based on certain capital assets being fully depreciated.	1.793	3.2	Based on certain capital assets being fully depreciated.
Other Post Employment Benefits	Non Reimb.	(1.412)	(19.7)	Primarily due to latest actuarial estimates	(0.074)	(0.5)	Primarily due to latest actuarial estimates
GASB 68 Pension Expense Adj.	Non Reimb.	0.000	-		0.000	-	
Environmental Remediation	Non Reimb.	0.000	0.2		0.001	0.2	

Table 4

MTA LONG ISLAND RAIL ROAD FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET CASH RECEIPTS and EXPENDITURES February 2017 (\$ in millions)								
	Month				Year-to-Date			
	Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Revenue	\$54.509	\$55.051	\$0.542	1.0	\$110.828	\$112.894	\$2.066	1.9
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.352	3.081	0.729	31.0	4.698	4.890	0.192	4.1
Capital & Other Reimbursements	25.846	23.513	(2.333)	(9.0)	47.883	43.737	(4.146)	(8.7)
Total Receipts	\$82.707	\$81.645	(\$1.062)	(1.3)	\$163.409	\$161.521	(\$1.888)	(1.2)
Expenditures								
<i>Labor:</i>								
Payroll	\$49.422	\$45.480	\$3.942	8.0	\$98.235	\$90.692	\$7.543	7.7
Overtime	13.969	12.407	1.562	11.2	25.943	24.295	1.648	6.4
Health and Welfare	11.200	10.089	1.111	9.9	22.324	19.815	2.509	11.2
OPEB Current Payment	5.756	4.927	0.829	14.4	11.512	9.997	1.515	13.2
Pensions	15.378	15.059	0.319	2.1	30.755	29.591	1.164	3.8
Other Fringe Benefits	14.020	12.579	1.441	10.3	28.387	24.966	3.421	12.0
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	\$109.745	\$100.541	\$9.204	8.4	\$217.156	\$199.356	\$17.800	8.2
<i>Non-Labor:</i>								
Electric Power	\$7.698	\$4.089	\$3.609	46.9	\$14.659	\$11.041	\$3.618	24.7
Fuel	1.479	1.267	0.212	14.3	2.939	2.772	0.167	5.7
Insurance	0.000	0.000	0.000	-	10.495	9.798	0.697	6.6
Claims	0.146	0.131	0.015	10.4	0.292	0.234	0.058	20.0
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.270	6.518	0.752	10.3	14.634	15.426	(0.792)	(5.4)
Professional Service Contracts	1.922	3.342	(1.420)	(73.9)	4.662	7.618	(2.956)	(63.4)
Materials & Supplies	21.095	9.528	11.567	54.8	35.594	26.860	8.734	24.5
Other Business Expenses	1.287	1.360	(0.073)	(5.7)	2.624	2.665	(0.041)	(1.6)
Total Non-Labor Expenditures	\$40.897	\$26.236	\$14.661	35.8	\$85.899	\$76.414	\$9.485	11.0
<i>Other Expenditure Adjustments:</i>								
Other	\$1.667	\$1.533	\$0.134	8.0	\$3.334	\$3.247	\$0.087	2.6
Total Other Expenditure Adjustments	\$1.667	\$1.533	\$0.134	8.0	\$3.334	\$3.247	\$0.087	2.6
Total Expenditures	\$152.309	\$128.310	\$23.999	15.8	\$306.389	\$279.018	\$27.371	8.9
Cash Timing and Availability Adjustment	0.000	0.264	0.264	-	0.000	(0.330)	(0.330)	-
Net Cash Deficit (excludes opening balance)	(\$69.602)	(\$46.400)	\$23.202	33.3	(\$142.980)	(\$117.827)	\$25.153	17.6
Subsidies								
MTA	69.602	50.580	(19.022)	(27.3)	142.980	123.162	(19.818)	(13.9)

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS

Table 5

Generic Revenue or Expense Category	February 2017			Year-to-Date as of February 28, 2017		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Receipts						
Farebox Revenue	0.542	1.0	Higher ridership \$1.266, partially offset by lower yields \$(0.267), lower MetroCard/AirTrain sales \$(0.259) and lower advance sales impact \$(0.198).	2.066	1.9	Higher ridership \$2.769 and higher advance sales impact \$0.068, partially offset by lower yields \$(0.375) and lower MetroCard/AirTrain sales \$(0.396).
Other Operating Revenue	0.729	31.0	Primarily due to the collection of prior year NYCTA transportation pass reimbursement, partially offset by the timing of rental receipts.	0.192	4.1	Primarily due to the collection of prior year NYCTA transportation pass reimbursement, partially offset by the timing of rental receipts.
Capital and Other Reimbursements	(2.333)	(9.0)	Timing of activity and reimbursement for capital and other reimbursements.	(4.146)	(8.7)	Timing of activity and reimbursement for capital and other reimbursements.
Expenditures						
Labor:						
Payroll	3.942	8.0	Primarily due to vacant positions and rates, partially offset by the timing of intercompany reimbursements.	7.543	7.7	Primarily due to vacant positions, rates and the timing of intercompany reimbursements, partially offset by the timing of tax payments.
Overtime	1.562	11.2	Primarily due to lower weather-related, project and scheduled/unscheduled overtime, partially offset by higher vacancy/absentee coverage and maintenance overtime.	1.648	6.4	Primarily due to lower weather-related and unscheduled/unscheduled service overtime, partially offset by higher maintenance overtime, project overtime and vacancy/absentee coverage.
Health and Welfare	1.111	9.9	Primarily due to the timing of payments, vacant positions and intercompany reimbursements.	2.509	11.2	Primarily due to intercompany reimbursements, the timing of payments and vacant positions.
OPEB Current Payment	0.829	14.4	Primarily due to fewer retirees/beneficiaries than anticipated and the timing of payments.	1.515	13.2	Primarily due to fewer retirees/beneficiaries than anticipated and the timing of payments.
Pensions	0.319	2.1	Due to intercompany reimbursements.	1.164	3.8	Due to intercompany reimbursements.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS

Table 5

Generic Revenue or Expense Category	February 2017			Year-to-Date as of February 28, 2017		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Other Fringe Benefits	1.441	10.3	Primarily lower Railroad Retirement payments, the timing of FELA payments and intercompany reimbursements.	3.421	12.0	Primarily lower Railroad Retirement payments, the timing of FELA payments and intercompany reimbursements.
Non-Labor:						
Electric Power	3.609	46.9	Primarily due to the non payment of PSEG traction power and lower NYPA traction power consumption and rates, partially offset by higher payments for non-traction electricity.	3.618	24.7	Primarily due to the non payment of one month of PSEG traction power and lower NYPA traction power consumption and rates, partially offset by higher payments for non-traction electricity.
Fuel	0.212	14.3	Primarily due to the timing of payments and lower usage, partially offset by higher rates.	0.167	5.7	Primarily due to the timing of payments and lower usage, partially offset by higher rates.
Insurance	0.000	-		0.697	6.6	Timing of insurance premium payments.
Claims	0.015	10.4	Timing of payment for claims.	0.058	20.0	Timing of payment for claims.
Maintenance and Other Operating Contracts	0.752	10.3	Timing of payments.	(0.792)	(5.4)	Timing of payments.
Professional Service Contracts	(1.420)	(73.9)	Primarily the timing of payments and intercompany receipts.	(2.956)	(63.4)	Primarily the timing of payments and intercompany receipts.
Materials and Supplies	11.567	54.8	Primarily the timing of program, production plan, and operating funded capital material and supplies.	8.734	24.5	Primarily the timing of program, production plan, and operating funded capital material and supplies.
Other Business Expenses	(0.073)	(5.7)	Timing of payments.	(0.041)	(1.6)	Timing of payments.
Other Expenditure Adjustments	0.134	8.0	Lower MetroCard/AirTrain pass through payments.	0.087	2.6	Lower MetroCard/AirTrain pass through payments.

Table 6

MTA LONG ISLAND RAIL ROAD FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET CASH CONVERSION (CASH FLOW ADJUSTMENTS) February 2017 (\$ in millions)								
	Month				Year-to-Date			
	Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Receipts								
Farebox Revenue	\$1.667	\$1.211	(\$0.456)	(27.4)	\$3.334	\$3.006	(\$0.328)	(9.8)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	(1.259)	(0.989)	0.270	21.5	(2.514)	(1.349)	1.165	46.4
Capital & Other Reimbursements	3.607	5.825	2.218	61.5	0.897	(3.342)	(4.239)	*
Total Receipts	\$4.015	\$6.047	\$2.032	50.6	\$1.717	(\$1.684)	(\$3.401)	*
Expenditures								
<i>Labor:</i>								
Payroll	\$0.463	\$1.289	\$0.826	*	\$5.800	\$8.339	\$2.539	43.8
Overtime	(0.001)	1.283	1.284	*	1.151	3.441	2.290	*
Health and Welfare	0.000	0.737	0.737	-	0.000	1.600	1.600	-
OPEB Current Payment	0.000	0.202	0.202	-	0.000	0.239	0.239	-
Pensions	0.000	0.318	0.318	-	0.000	1.164	1.164	-
Other Fringe Benefits	0.331	1.914	1.583	*	1.169	4.637	3.468	*
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	\$0.793	\$5.744	\$4.951	*	\$8.120	\$19.420	\$11.300	*
<i>Non-Labor:</i>								
Electric Power	\$0.000	\$3.156	\$3.156	-	\$0.000	\$3.576	\$3.576	-
Fuel	0.000	0.315	0.315	-	0.000	0.369	0.369	-
Insurance	2.534	2.071	(0.463)	(18.3)	(5.340)	(5.121)	0.219	4.1
Claims	0.218	0.230	0.012	5.3	0.436	0.517	0.081	18.5
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	0.000	1.033	1.033	-	0.000	0.400	0.400	-
Professional Service Contracts	0.818	0.095	(0.723)	(88.4)	0.336	(0.947)	(1.283)	*
Materials & Supplies	(5.311)	1.763	7.074	*	(4.050)	(5.510)	(1.460)	(36.1)
Other Business Expenses	0.056	(0.290)	(0.346)	*	0.111	(0.270)	(0.381)	*
Total Non-Labor Expenditures	(\$1.685)	\$8.372	\$10.057	*	(\$8.507)	(\$6.987)	\$1.520	17.9
<i>Other Expenditure Adjustments:</i>								
Other	(\$1.667)	(\$1.533)	\$0.134	8.0	(\$3.334)	(\$3.247)	\$0.087	2.6
Total Other Expenditure Adjustments	(\$1.667)	(\$1.533)	\$0.134	8.0	(\$3.334)	(\$3.247)	\$0.087	2.6
Total Expenditures before Depreciation	(\$2.559)	\$12.584	\$15.143	*	(\$3.721)	\$9.185	\$12.906	*
Depreciation Adjustment	\$28.274	\$27.378	(\$0.896)	(3.2)	\$56.548	\$54.755	(\$1.793)	(3.2)
Other Post Employment Benefits	7.165	8.577	1.412	19.7	14.330	14.404	0.074	0.5
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Environmental Remediation	0.167	0.167	(0.000)	(0.2)	0.334	0.333	(0.001)	(0.2)
Total Expenditures	\$33.047	\$48.705	\$15.658	47.4	\$67.491	\$78.678	\$11.187	16.6
Cash Timing and Availability Adjustment	0.000	0.264	0.264	-	0.000	(0.330)	(0.330)	-
Total Cash Conversion Adjustments	\$37.062	\$55.016	\$17.954	48.4	\$69.208	\$76.663	\$7.455	10.8

MTA LONG ISLAND RAIL ROAD
2017 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	February 2017						February Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./(Unfav)		Adopted Budget		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	39,547	\$2.431	35,736	\$2.201	3,811 9.6%	\$0.229 9.4%	86,228	\$5.274	84,475	\$5.141	1,753 2.0%	\$0.132 2.5%
<u>Unscheduled Service</u>	9,029	\$0.572	5,884	\$0.373	3,145 34.8%	\$0.199 34.8%	19,018	\$1.187	13,227	\$0.800	5,791 30.5%	\$0.388 32.7%
<u>Programmatic/Routine Maintenance</u>	49,882	\$2.811	53,942	\$3.017	(4,060) -8.1%	(\$0.206) -7.3%	100,275	\$5.639	123,403	\$6.846	(23,128) -23.1%	(\$1.208) -21.4%
<u>Unscheduled Maintenance</u>	200	\$0.011	3,760	\$0.209	(3,560) *	(\$0.198) *	500	\$0.029	9,570	\$0.550	(9,070) *	(\$0.521) *
<u>Vacancy/Absentee Coverage</u>	41,966	\$2.427	52,751	\$3.063	(10,786) -25.7%	(\$0.636) -26.2%	79,502	\$4.719	96,602	\$5.636	(17,100) -21.5%	(\$0.917) -19.4%
<u>Weather Emergencies</u>	69,750	\$3.842	32,923	\$2.061	36,827 52.8%	\$1.781 46.4%	116,250	\$6.484	56,460	\$3.405	59,790 51.4%	\$3.079 47.5%
<u>Safety/Security/Law Enforcement</u> ²	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	0 0.0%	\$0.000 0.0%
<u>Other</u> ³	2,301	\$0.122	1,890	\$1.507	411 17.9%	(\$1.384) *	4,602	\$0.245	4,152	\$0.761	450 9.8%	(\$0.517) *
NON-REIMBURSABLE OVERTIME	212,675	\$12.216	186,887	\$12.431	25,788 12.1%	(\$0.215) -1.8%	406,374	\$23.576	387,888	\$23.140	18,487 4.5%	\$0.436 1.9%
REIMBURSABLE OVERTIME	29,910	\$1.752	37,691	\$1.259	(7,781) -26.0%	\$0.493 28.2%	60,192	\$3.518	72,701	\$4.597	(12,509) -20.8%	(\$1.079) -30.7%
TOTAL OVERTIME	242,585	\$13.968	224,578	\$13.689	18,008 7.4%	\$0.279 2.0%	466,566	\$27.094	460,588	\$27.737	5,978 1.3%	(\$0.643) -2.4%

¹ Includes Tour Length and Holiday overtime.

² Not Applicable

³ Reflects overtime for marketing, material management and other administrative functions.

Totals may not add due to rounding.

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

MTA LONG ISLAND RAIL ROAD
2017 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	February 2017			February Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u>	3,811	\$0.229	Lower holiday overtime within Transportation and Equipment for Lincoln's birthday, partially offset by higher Crew Book overtime.	1,753	\$0.132	Lower holiday overtime within Transportation, partially offset by higher holiday overtime within Equipment and higher Crew book overtime.
	9.6%	9.4%		2.0%	2.5%	
<u>Unscheduled Service</u>	3,145	\$0.199	Lower overtime needed to maintain on-time performance.	5,791	\$0.388	Lower overtime needed to maintain on-time performance.
	34.8%	34.8%		30.5%	32.7%	
<u>Programmatic/Routine Maintenance</u>	(4,060)	(\$0.206)	Higher maintenance efforts within the Engineering Department including removal of rails, ties and debris from the right of way, switch modifications, installation of timber and track ties by hand and high security switch installation. Partially offset by lower maintenance within the Equipment Department due to timing of camera installations and less MU running repair.	(23,128)	(\$1.208)	Higher maintenance efforts within the Engineering Department including removal of rails, ties and debris from the right of way, switch modifications, installation of timber and track ties by hand and high security switch installation, higher maintenance within Equipment Department due to Wheel Shop running repairs, out of service in Support and Car Shop and Atlantic Terminal derailment. Partially offset by timing of cameras installation and less MU running repair.
	-8.1%	-7.3%		-23.1%	-21.4%	
<u>Unscheduled Maintenance</u>	(3,560)	(\$0.198)	Engineering department efforts due to derailment at Jamaica on February 8th, Babylon Yard derailment and residual efforts from Atlantic Terminal derailment.	(9,070)	(\$0.521)	Engineering department efforts due to derailment at Atlantic Terminal on January 4th, Jamaica derailment on February 8th and Babylon Yard derailment.
	*	*		*	*	
<u>Vacancy/Absentee Coverage</u>	(10,786)	(\$0.636)	Open jobs within the Equipment and Transportation Department and lower availability within Transportation Department, partially offset by higher availability within Stations Department.	(17,100)	(\$0.917)	Open jobs within the Equipment and Transportation Department and lower availability with Transportation Department, partially offset by lower than budgeted tours in the Transportation Department.
	-25.7%	-26.2%		-21.5%	-19.4%	
<u>Weather Emergencies</u>	36,827	\$1.781	Lower than budgeted weather-related expenses.	59,790	\$3.079	Lower than budgeted weather-related expenses.
	52.8%	46.4%		51.4%	47.5%	
<u>Safety/Security/Law Enforcement</u>						
<u>Other</u>	411	(\$1.384)	Primarily a prior year accrual that was reversed out in error (corrected in February)	450	(\$0.517)	Due to double time impact and higher rated crafts, partially offset by favorable variance between actual and budgeted wage rates.
	17.9%	*		9.8%	*	
NON-REIMBURSABLE OVERTIME	25,788	(\$0.215)		18,487	\$0.436	
	12.1%	-1.8%		4.5%	1.9%	
REIMBURSABLE OVERTIME	(7,781)	\$0.493	Prior year accrual that was reversed in error (corrected in February), partially offset of over-run attributed to 2017 Annual Track program, East Rail Yard, East Side Access projects, Jamaica capacity improvements and Western Rail Yards.	(12,509)	(\$1.079)	Over-run attributed to Annual Track Program, East Side Access projects, East Rail Yard, Western Rail Yards and Jamaica capacity improvements.
	-26.0%	28.2%		-20.8%	-30.7%	
TOTAL OVERTIME	18,008	\$0.279		5,978	(\$0.643)	
	7.4%	2.0%		1.3%	-2.4%	

METROPOLITAN TRANSPORTATION AUTHORITY - LONG ISLAND RAIL ROAD
2017 Overtime Reporting
Overtime Legend

OVERTIME DECOMPOSITION LEGEND DEFINITIONS

<u>Type</u>	<u>Definition</u>
<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

MTA LONG ISLAND RAIL ROAD
 FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
 TOTAL POSITIONS BY FUNCTION AND DEPARTMENT
 NON-REIMBURSABLE/REIMBURSABLE AND FULL-TIME/FULL-TIME EQUIVALENTS
 END-of-MONTH FEBRUARY 2017

	Budget	Actual	Favorable/ (Unfavorable) Variance
Administration			
Executive VP	2	2	0
Enterprise Asset Management	7	7	0
Sr. Vice President - Engineering	2	4	(2)
Labor Relations	19	16	3
Procurement & Logistics (excl. Stores)	70	75	(5)
Human Resources	33	31	2
Sr VP Administration	2	1	1
Strategic Investments	17	16	1
President	4	4	0
VP & CFO	4	3	1
Information Technology	0	0	0
Controller	43	39	4
Management & Budget	21	15	6
BPM, Controls & Compliance	7	7	0
Market Dev. & Public Affairs	71	60	11
Gen. Counsel & Secretary	33	32	1
Diversity Management	3	3	0
Security	14	8	6
System Safety	36	35	1
Training	67	64	3
Service Planning	25	21	4
Rolling Stock Programs	17	9	8
Sr Vice President - Operations	2	2	0
Total Administration	499	454	45
Operations			
Transportation Services - Train Operations	2,219	2,151	68
Customer Services	303	290	13
Total Operations	2,522	2,441	81
Maintenance			
Engineering	1,988	1,915	73
Equipment	2,166	2,072	94
Procurement (Stores)	96	96	-
Total Maintenance	4,250	4,083	167
Engineering/Capital			
Department of Program Management	146	130	16
Special Projects/East Side Access	46	44	2
Positive Train Control	11	6	5
Total Engineering/Capital	203	180	23
Baseline Total Positions	7,474	7,158	316
<i>Non-Reimbursable</i>	6,388	6,254	134
<i>Reimbursable</i>	1,086	904	182
Total Full-Time	7,474	7,158	316
Total Full-Time-Equivalents			

Note: Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS
NON-REIMBURSABLE and REIMBURSABLE
END-OF-MONTH FEBRUARY 2017**

Explanation of Variances
NON-REIMBURSABLE POSITIONS - Favorable 134 positions due to the vacancies in Train Operations, Maintenance of Equipment and administrative departments.
REIMBURSABLE POSITIONS - Favorable 182 positions primarily due to the timing of project activity in the Engineering, Maintenance of Equipment, Department of Program Management and Train Operations departments.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and OCCUPATION
END-of-MONTH FEBRUARY 2017

	Budget	Actual	Favorable/ (Unfavorable) Variance
Administration			
Managers/Supervisors	254	235	19
Professional, Technical, Clerical	139	110	29
Operational Hourlies	106	109	(3)
Total Administration	499	454	45
Operations			
Managers/Supervisors	295	293	2
Professional, Technical, Clerical	97	92	5
Operational Hourlies	2,130	2,056	74
Total Operations	2,522	2,441	81
Maintenance			
Managers/Supervisors	777	697	80
Professional, Technical, Clerical	267	258	9
Operational Hourlies	3,206	3,128	78
Total Maintenance	4,250	4,083	167
Engineering/Capital			
Managers/Supervisors	136	125	11
Professional, Technical, Clerical	67	55	12
Operational Hourlies	-	-	-
Total Engineering/Capital	203	180	23
Total Positions			
Managers/Supervisors	1,462	1,350	112
Professional, Technical, Clerical	570	515	55
Operational Hourlies	5,442	5,293	149
Total Positions	7,474	7,158	316

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
RIDERSHIP
(In Thousands)

	FEBRUARY 2017								FEBRUARY YEAR TO DATE 2017							
	Month			Variance					YTD			Variance				
	Budget	Actual	Adjusted*	Adjusted*					Budget	Actual	Adjusted*	Adjusted*				
		2017	2016	2016						2017	2016	2016				
				Budget								Budget				
RIDERSHIP				#	%	#	%					#	%	#	%	
Monthly	3.746	3.805	3.781	0.059	1.6%	0.024	0.6%		7.682	7.793	7.672	0.111	1.5%	0.122	1.6%	
Weekly	0.137	0.114	0.129	(0.022)	-16.4%	(0.015)	-11.5%		0.272	0.248	0.268	(0.024)	-8.8%	(0.019)	-7.2%	
Total Commutation	3.882	3.919	3.910	0.037	0.9%	0.010	0.2%		7.955	8.042	7.939	0.087	1.1%	0.103	1.3%	
One-Way Full Fare	0.580	0.589	0.569	0.009	1.5%	0.020	3.5%		1.195	1.227	1.155	0.032	2.7%	0.072	6.3%	
One-Way Off-Peak	1.172	1.245	1.190	0.074	6.3%	0.055	4.6%		2.507	2.628	2.484	0.120	4.8%	0.143	5.8%	
All Other	0.735	0.769	0.756	0.033	4.5%	0.013	1.7%		1.485	1.585	1.494	0.099	6.7%	0.090	6.0%	
Total Non-Commutation	2.487	2.603	2.515	0.116	4.7%	0.088	3.5%		5.188	5.439	5.133	0.251	4.8%	0.306	6.0%	
Total	6.370	6.522	6.425	0.153	2.4%	0.097	1.5%		13.142	13.481	13.072	0.339	2.6%	0.408	3.1%	

*Prior year adjusted to reflect current year calendar.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS
February 2017

		MONTH			VARIANCE	
		Actual	Adopted	Actual	vs.	vs.
		<u>2017</u>	<u>Budget</u>	<u>2016</u>	<u>Budget</u>	<u>2016</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	43.8%	41.6%	45.3%	2.2%	-1.5%
	Adjusted ⁽²⁾	51.5%	48.6%	54.4%	2.9%	-2.8%
Cost Per Passenger						
	Standard ⁽¹⁾	\$18.92	\$20.02	\$17.81	\$1.10	(\$1.11)
	Adjusted ⁽²⁾	\$17.24	\$18.24	\$15.96	\$1.01	(\$1.28)
Passenger Revenue/Passenger ⁽³⁾		\$8.29	\$8.33	\$8.07	(\$0.04)	\$0.22
		YEAR-TO-DATE			VARIANCE	
		Actual	Adopted	Actual	vs.	vs.
		<u>2017</u>	<u>Budget</u>	<u>2016</u>	<u>Budget</u>	<u>2016</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	45.5%	42.2%	46.1%	3.3%	-0.6%
	Adjusted ⁽²⁾	52.6%	49.2%	55.0%	3.4%	-2.4%
Cost Per Passenger						
	Standard ⁽¹⁾	\$17.97	\$19.46	\$17.79	\$1.49	(\$0.18)
	Adjusted ⁽²⁾	\$16.39	\$17.75	\$15.90	\$1.36	(\$0.49)
Passenger Revenue/Passenger ⁽³⁾		\$8.18	\$8.21	\$8.19	(\$0.03)	(\$0.01)

(1) The Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits and Environmental Remediation (GASB-49).

(2) Adjusted Fare Box Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between the Long Island Rail Road and Metro-North Railroad and are being presented only at the railroad operating committees. These adjustments are not being used MTA-wide. Adjustments have been made to reflect all operating revenue and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB Current Payment expenses for retirees, and Removal of the UAAL associated with the LIRR's closed pension plan.

(3) Passenger Revenue/Passenger includes Bar Car Services

MTA LONG ISLAND RAIL ROAD

MONTHLY RIDERSHIP REPORT

FEBRUARY 2017

FEBRUARY 2017 RIDERSHIP & REVENUE REPORT MTA LONG ISLAND RAIL ROAD

EXECUTIVE SUMMARY

February Ridership and Revenue (millions)

	February 2017	% Change vs. 2016
Total Rail Ridership	6.522	1.5% ▲
Commutation Ridership	3.919	0.2% ▲
Non-Commutation Ridership	2.603	3.5% ▲
Rail Revenue	\$53.8	1.3% ▲

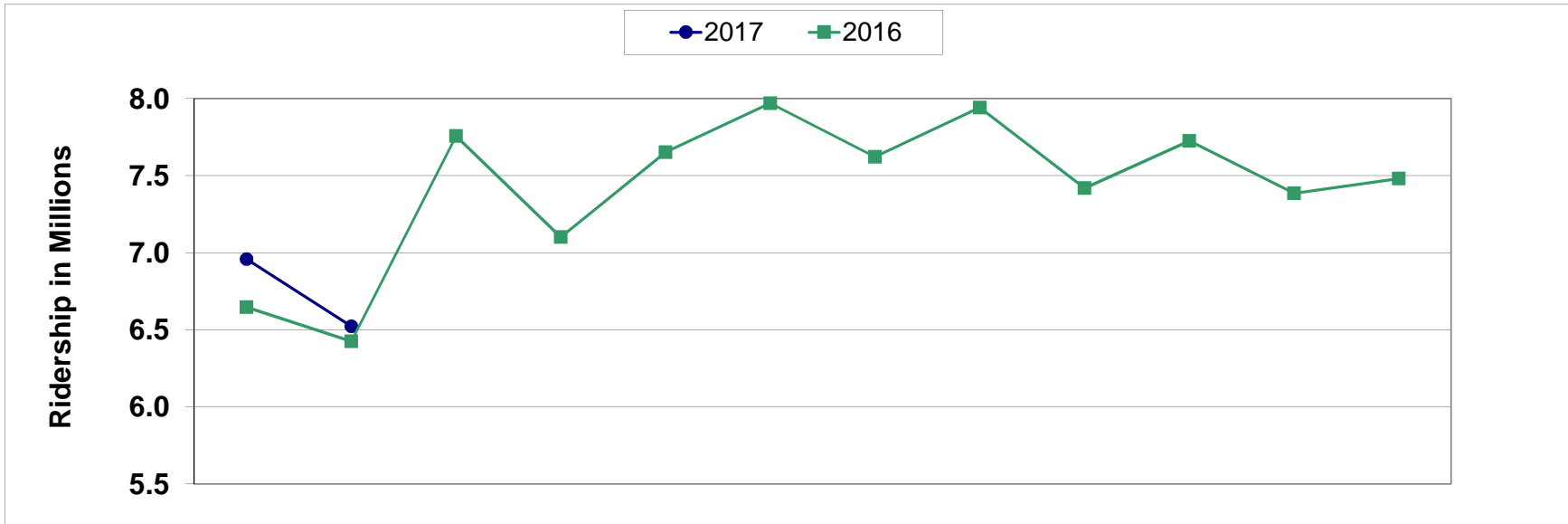
Key Factors Impacting February Ridership

- February ridership was adversely affected by a significant snowstorm that occurred on February 9th, producing 9.4 inches of snowfall over a twenty-four hour period.
- Gains in the local job employment continue to support growth in the Commutation market.

	February 2017	% Change vs. 2016	Comparison to Budget
Total Rail Ridership	13.481	3.1% ▲	2.6% ▲
Commutation Ridership	8.042	1.3% ▲	1.1% ▲
Non-Commutation Ridership	5.439	6.0% ▲	4.8% ▲
Rail Revenue	\$109.9	2.8% ▲	2.2% ▲

FEBRUARY RIDERSHIP

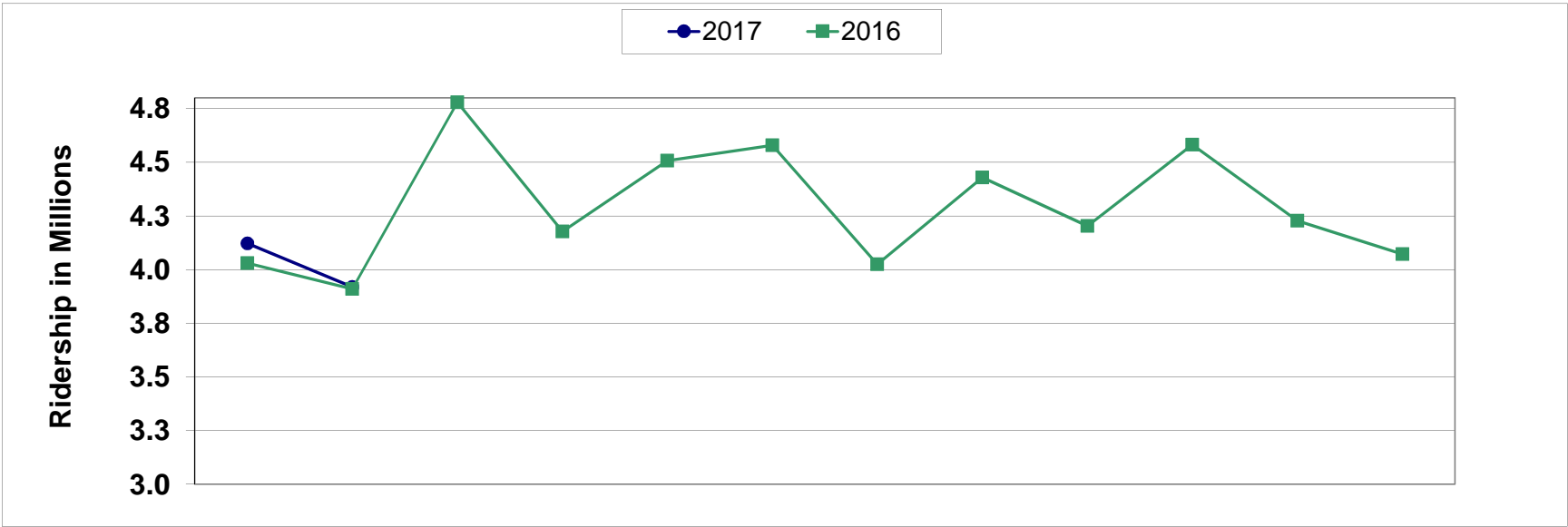
- February's Total Ridership was 1.5% above '16 and 2.4% above Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	7.0	6.5											13.5
2016	6.6	6.4	7.8	7.1	7.7	8.0	7.6	7.9	7.4	7.7	7.4	7.5	13.1
PCT CHG.	4.7%	1.5%											3.1%

FEBRUARY COMMUTATION RIDERSHIP

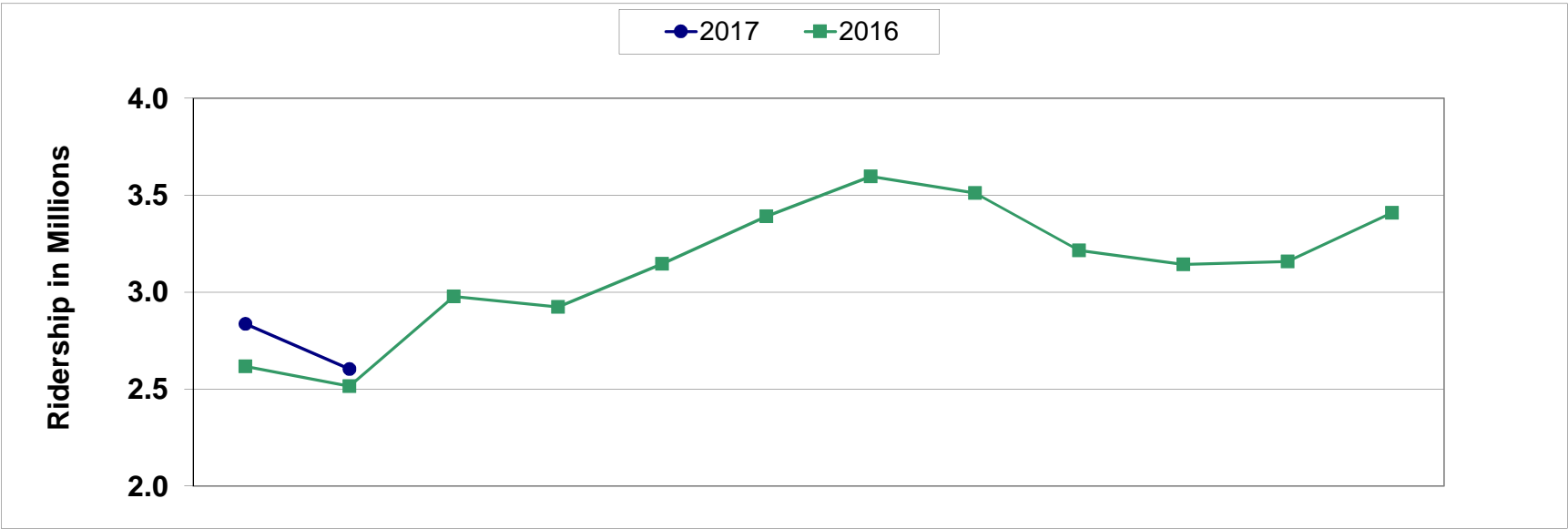
•February's Commutation Ridership was 0.2% above '16 and 0.9% above Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	4.1	3.9											8.0
2016	4.0	3.9	4.8	4.2	4.5	4.6	4.0	4.4	4.2	4.6	4.2	4.1	7.9
PCT CHG.	2.3%	0.2%											1.3%

FEBRUARY NON-COMMUTATION RIDERSHIP

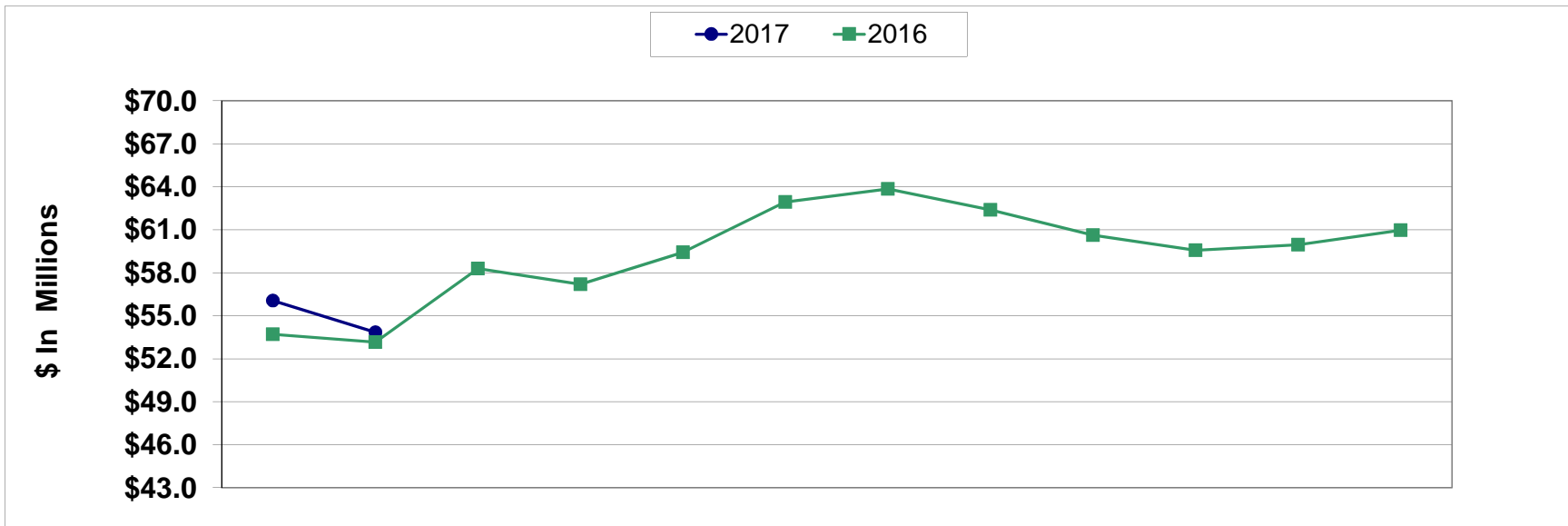
•February's Non-Commutation Ridership was 3.5% above '16 and 4.7% above Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	2.8	2.6											5.4
2016	2.6	2.5	3.0	2.9	3.1	3.4	3.6	3.5	3.2	3.1	3.2	3.4	5.1
PCT CHG.	8.3%	3.5%											6.0%

FEBRUARY REVENUE

- February's Total Revenue was 1.3% above '16 and 1.9% above Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	\$56.0	\$53.8											\$109.9
2016	\$53.7	\$53.1	\$58.3	\$57.2	\$59.4	\$62.9	\$63.9	\$62.4	\$60.6	\$59.6	\$60.0	\$61.0	\$106.9
PCT CHG.	4.3%	1.3%											2.8%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
FEBRUARY 2017**

TICKET TYPE/SERVICE	FEBRUARY 2017	FEBRUARY 2016	CHANGE VS. 2016	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	3,919,217	3,909,624	9,593	0.2%
NON-COMMUTATION RIDERSHIP	2,603,182	2,515,401	87,781	3.5%
TOTAL RIDERSHIP	6,522,399	6,425,025	97,374	1.5%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
2017 YEAR-TO-DATE**

TICKET TYPE/SERVICE	FEBRUARY 2017	FEBRUARY 2016*	CHANGE VS. 2016	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	8,041,860	7,939,234	102,626	1.3%
NON-COMMUTATION RIDERSHIP	5,438,930	5,133,237	305,693	6.0%
TOTAL RIDERSHIP	13,480,790	13,072,471	408,319	3.1%

* 2016 ridership numbers were adjusted using 2017 factors.

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
FEBRUARY 2017**

REVENUE	FEBRUARY 2017	FEBRUARY 2016	CHANGE VS. 2016	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$30,582,304	\$30,602,562	(\$20,258)	-0.1%
NON-COMMUTATION REVENUE	\$23,258,290	\$22,547,328	\$710,962	3.2%
TOTAL REVENUE	\$53,840,594	\$53,149,890	\$690,704	1.3%

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
2017 YEAR-TO-DATE**

REVENUE	FEBRUARY 2017	FEBRUARY 2016	CHANGE VS. 2016	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$61,062,351	\$60,688,218	\$374,133	0.6%
NON-COMMUTATION REVENUE	\$48,825,814	\$46,176,188	\$2,649,626	5.7%
TOTAL REVENUE	\$109,888,165	\$106,864,406	\$3,023,759	2.8%



Long Island Rail Road

CAPITAL PROGRAM REPORT

**LONG ISLAND RAIL ROAD
CAPITAL PROGRAM HIGHLIGHTS & UPDATES
MARCH 2017**

L60604YT: SHOPS AND YARDS – EMPLOYEE FACILITIES

Project Budget: \$10.75M

Milestone: Beneficial Use

Roof replacement, new HVAC units, and building façade repairs were done at the Jamaica Corporate Building, and selected buildings at Morris Park, Richmond Hill, UCC Shop, East End Pump house, Babylon Welfare Facility, and West Side Yard. The project work also included new paving, curbs, signage, and striping in the parking lot at Upper Holban. This project is part of the LIRR's ongoing efforts to improve working conditions for employees as well as preserve and protect railroad property.

L70206VR: PENN STATION CRITICAL IMPROVEMENTS

Project Budget: \$11.06M

Milestone: Design Start

A Design Contract was awarded to AECOM USA, Inc for \$6,722,383 to design improvements to areas within the Penn Station New York [PSNY] Level A Concourse to create a smooth, seamless, safe, and efficient trip for LIRR customers. The design will address the layout of the existing concourses, corridor widths, lighting, architectural finishes, digital displays, and wayfinding signage to optimize passenger movement and circulation. The designs developed for PSNY Critical Improvements will include provisions to accommodate future service expansions. Design Completion is planned for the end of 2017.

SMALL BUSINESS MENTOR PROGRAM [SBMP] ACTIVITIES

- DPM Office Fit-out at Hillside: Work completed.
- Morris Park Communication Building: Construction completed.
- Stations Air Conditioning Installations: Work continued.
- Locust Manor Railings and Locust Valley Roof: Submittals in process.
- Morris Park Site Preparation: Submittals in process.
- HSF Substation Roof: Procurement in process.
- New Hyde Park Fence: Procurement in process.
- Speonk Metals Treatment System: Procurement continued.
- Little Neck, Gibson, and Cedarhurst Parking: Procurement commenced.

2017 LIRR Capital Program Goals

